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Interaction with Mr. Manoj Gupta, Chairman, MKU

MKU, a Kanpur HQ SME is a shining example of what an Indian SME can achieve by offering technologically superior products and services to its customers. With domain expertise and technological excellence in protection & surveillance systems, MKU is emerging global leader in the product segment. Defence ProAc interacted with Mr. Manoj Gupta, Chairman, who feels MKU is responsibly executing responsibilities of protecting the protectors. Excerpts—

DPA: MKU's domain expertise is in manufacturing and integrating ballistic protection solutions, as the chairman of MKU, could you please tell us the prospects of the company in India both in personnel & platform protection market?

MKU: MKU today is a leading name in the defence industry globally. We are one of the largest manufacturers of armour solutions for personnel and platforms in the world. Our products are used and trusted by forces in over 100 countries. That shows the confidence people place in our products.

The defence market world over is characterized by long lead periods and infrequent requirements. This makes this sector more difficult especially for smaller players. It requires staying power and deep pockets to be able to survive and grow in this challenging sector.

I feel we at MKU are better placed to make use of the opportunities since we are neither dependent on the domestic market nor are we focused on any one product. We have the capability to process both soft and hard armour and also provide armour solutions for both personnel and platforms. Besides, our global reach puts us ahead of others in terms of understanding and

meeting market requirements.

DPA: How important is the Indian market for MKU?

MKU: India is undeniably one of the largest markets for defence and protection equipment and therefore is extremely important to us. Over the years, we have been supplying body armour and helmets to various defence and police forces of the country. We have participated in all the major RFPs released by the Government of India for body armour and helmets and also look forward to participating in future RFPs. In fact the last major contract for supply of 59000 Bullet Proof Jackets (BPJs) to the Indian Paramilitary forces in 2011-12 was successfully completed by us.

Indian market is extremely important to us. We hope the Indian MoD, OEMs and other users take note of our experience and capabilities. We also hope they understand the technologies available in India and in the enterprise of the Indian industry to meet their requirements and deliver world class products. We want them to understand Made in India for the World is not just a slogan.

However, notwithstanding the fact that the Indian market is very important, our business model is not totally dependent on the domestic market. A large percentage of sales turnovers come from exports. In fact this has been an important factor in our survival and growth.

DPA: Your Company has created a name by itself in international market, could you please briefly inform us the strategy that you have adopted for the company in India and what would be the thrust areas?

MKU: As mentioned above, from the very beginning we have realized the importance of going global and not being restricted to the domestic market. We have reached out to all corners of the globe through participation in various exhibitions and establishing a large network of channel partners. Besides, we have our own dedicated international team which is in direct contact with international buyers, customers and also end users.

As a result we have customers in over 100 countries today. More than 230 forces including the UN and NATO trust our products. 'Made in India' is the basis of our foray into the international market. Today, we can proudly claim to be the market leaders not only in India but also one of the leading suppliers of armour solutions globally. MKU is a name to reckon with globally.

DPA: MKU has also successfully ventured into electro-optics, could you please tell us about the electro-optical products that your company has come out with and what are the prospects in the Indian market?

MKU: MKU is initially targeting handheld and weapon mounted electro-optical devices. In a first of its kind, MKU holds the full IPR of Night Vision Binoculars and Monoculars namely Jaguar-7 and Jaguar-14. This gives advantage to a company like ours to export NVDs without Foreign OEM restrictions. It has been seen that Foreign OEMs some time limit the geographies of operations for Indian partners.

We are in the process of setting up a modern manufacturing unit for making Night Vision Devices and Electro Optics in the country.

DPA: MKU has recently been conferred with the prestigious award of "INNOVATION EXCELLENCE IN DEFENCE FOR INSTAVEST". Could you please tell us about the Quick Release Bullet Proof Jacket (INSTAVEST)?

MKU: MKU undertook the challenge to develop a Quick Release Bullet Proof Jacket indigenously that not only matched but also exceeded the performance of the standard body armors available globally. INSTAVEST, included a swift and instant release action that enabled the soldier to doff the jacket instantly in extreme combat and life threatening situations, where removing the body armour immediately is extremely critical and

could be the difference between life and death of the soldier, as in case of:

- Trapped in overturned/ submerged vehicle
- Treating critically wounded soldiers
- Narrow ingress/ egress points
- Wading / swimming in water

The specially developed Quick Release System of Instavest enables the soldier to remove it immediately with one pull of the hand in less than a second and complements the body reflex. Besides, unlike other vests, INSTAVEST is removed in one piece. There is practically no reassembly required and the vest can be put back on in less than 30 seconds. All this is achieved without compromising the protection or ergonomics of the vest. MKU has proved through its design that India is second to none in design, development and innovation.

We are a technologically driven company and invest almost 6-8% in R&D. We have our own ballistic test laboratory in Germany where we do extensive testing of our products. We have a dedicated technology development center with a team of engineers who are on the job developing new products and improving existing solutions. Our R&D is demand driven and based on the demands of the customer. In response to the customer's demands our team has come up with various new products and innovative solutions like Instavest, Boltfree helmets, RHT technology, Gen 6 technology, MOST to name a few. We are also holders of several patents for our products.

DPA: MKU has developed over the years of R&D efforts the complete project management for Land, Air and Naval platforms using special patented technologies and systems. Could you please elaborate as to what all does it involve?

MKU: MKU is an AS9100C certified company and one of the very few with a vast experience of providing armour solutions not only for personnel but also for various land, sea and air platforms. We have the capability to handle both soft and hard armour in house.

MKU is a system house for design, development, manufacture and integration of armour solutions on board platforms. In fact the company has the capability to provide end to end solutions to customers. We have till date provided armour solutions for over 2000 platforms covering land vehicles, naval vessels and also aircrafts. We have developed and perfected MOST Modulare Schutz Technik for deployment of light weight armour solutions for platforms especially helicopters. The German engineered revolutionary attachment systems enable the armour kits to be easily deployed on the aircraft, without necessitating any modification in the structure of the platform. Complementing the 'ModulareSchutzTechnik', is the 6th Generation armour protection technology developed by MKU. It uses advanced materials and specialised manufacturing processes which helps to reduce the weight and thickness of armour

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solutions by almost 40%, resulting in operational benefits like increased useful payload and endurance without compromising protection.

DPA: What is your assessment of the capabilities and potential of the protection industry in India? Any plans to participate in the recently announced Make projects by Indian MoD like FICV & FRCV?

MKU: MKU believes very strongly in the capacity and capability of the Indian entrepreneur. As already mentioned earlier we have a strong team of engineers who are constantly engaged in R&D and development of solutions to meet the requirements of customers worldwide.

For these vehicle programs, the protection level required is upto STANAG-4, for which solutions are already available with us. We are also working on developing solutions for Blast Protection.

DPA: What are the new trends you see in Indian Defence market? What are the new initiatives coming from MKU?

MKU: Most of the R&D worldwide is focused on reducing the weight of the armour solutions without compromising protection. Our team of engineers in India and Germany are also focused on this. As a result of their efforts we have recently launched Generation 6 armour solutions which are almost 40% lighter and thinner than standard solutions.

Another area of development is in reducing the Resultant Trauma in head gear. This is an area of concern and through our efforts we have been able to address this very serious aspect of safety of the soldier. Our RHT technology is a step in this direction through which we have been able to reduce the resultant blunt trauma by almost 40%.

DPA: What are your views/experience of the Indian market vis-à-vis the markets of other developing countries in view of the global changing environment?

MKU: Until now the Indian procurement processes have not been time bound, which leads to lot of uncertainty and manufacturing capacities which were to develop have got delayed as well. On the other hand Export contracts generally get concluded in time.

However, we expect with the new DPP some of these issues will get addressed and the private industry at large should get benefitted.

DPA: There has been a visible shift in India's procurements towards the western countries, offering more opportunities and avenues. At the same time India is keen to enlarge its own defence industrial base. Is MKU looking at possible Joint Ventures to join the band wagon?

MKU: At MKU we believe in the philosophy of bringing in the

technology wherever a technology gap exists but doing it in such a way that we build capacity and capability in India. In 2008, we acquired a German Armour company which not only gave much needed capability on platform armouring, it also opened up the European market for us.

Our JV with a German company in 2012 to manufacture wiring harnesses for aerospace and defense is another example of such collaboration. We today are making wiring harnesses for various Airbus platforms in India and also collaborating with the Indian Air Force in their indigenisation efforts.

We are on the lookout for such opportunities and would not hesitate to get in to collaborations or Joint Ventures in future to enhance our capability.

DPA: Could you kindly explain the technical edge the MKU has over the similar kind of industries?

MKU: I have already mentioned earlier that MKU is a technology driven company. We have established a dedicated Tech Development Centre where our engineers and technicians are constantly engaged in R&D to continuously improve and innovate. As a company we give a lot of importance to R&D and spend almost 6-8% of our revenue on R&D. It is this focus that has enabled us to remain ahead of the technology curve. We have our own ballistic lab in Germany that helps us do shooting trials without which is an added advantage for us.

DPA: Indian SMEs with their vast amount of experience and technical know are today not only in a position to contribute to the indigenisation of defence requirements in a big way but have also been accepted as the engine of economic growth. Could you please give your views as to how the SMEs can play a key role in development of economies?

MKU: I am a firm believer that if Indian industry has to grow, the SME sector must also grow. It is an established fact world over that the SMEs contribute significantly to the growth of industry and any country / sector which does not have a robust SME sector cannot grow. Look at what happened to the Indian Auto or Space sector. Both have grown and the contribution of the SME sector has been significant. Besides, the SME sector is much more dynamic and responsive and better suited to respond to market requirements.

However, the government and the major DPSUs and private manufacturers have also to play an important role in encouraging the development of this sector. The major industries, whether in the government or private sector, should become facilitators and integrators and use the capacities in the MSME sector for development and supplies of sub systems and components. This is especially true for all platforms, land vehicles, naval vessels or aircrafts. An entire eco system can be built around each of these industries that will facilitate the growth of the allied industries.