

**ALL INDIA DEFENCE EMPLOYEES' FEDERATION**  
**INDIAN NATIONAL DEFENCE WORKERS' FEDERATION**  
**BHARTIYA PRATIRAKSHA MAZDOOR SANGH**  
(RECOGNIZED FEDERATIONS OF DEFENCE CIVILIAN EMPLOYEES)

Joint Circular No. : 42/2020

Date : 16.08.2020

To,

**All the affiliated Unions of  
AIDEF, INDWF, BPMS**

**OBSERVE 18.08.2020 AS  
“ANTI CORPORATIZATION AND ANTI PRIVATIZATION DAY”  
BY WEARING BLACK BADGE**

**OBSERVE  
“CALL ATTENTION DAY”  
AGAINST CORPORATIZATION OF OFB ON 20.08.2020**

**Action Programmes to be observed on 18.08.2020 and 20.08.2020.**

At present intimation has been received that the Coal Federations have postponed their proposed strike on 18.08.2020, since Government has postponed the opening of the bidding of Coal Mine to October, 2020. However, the Central Trade Unions have decided to observe 18.08.2020 as “**Anti Corporatization and Anti Privatization Day**”. Therefore, affiliated Unions are requested to observe 18.08.2020 by wearing Black Badge with the above slogan.

As already decided to observe the first anniversary of our one month strike which commence from 20.08.2019 against Corporatization of OFB, the 20.08.2020 should be observed as “Call Attention Day” against Corporatization of OFB by wearing Black Badge with the above slogan, issuing a Pamphlet appealing the Workers to voluntary participate in the Strike to be issued and wherever possible demonstrations also may be held. A copy of the joint pamphlet published jointly by the three Federations is enclosed as **Annexure-I**. You may publish the same in your local language and distribute the same to all the employees. We are planning to prepare a Hindi Pamphlet which will be circuited shortly.

**AIDEF, INDWF and BPMS responds to the statement made by the Defence Minister in the MODs Press Release issued on 13.08.2020 about the proposed move of the Government to corporatize the Ordnance Factories.**

You are aware that the Defence Minister in his Twitter Account and subsequently in the Press release issued by the MoD on 13.08.2020 make the following statements.

*"Referring to Corporatisation of OFB, Shri.Rajnath Singh said "if government owned defence industries are to compete at national and international level then the outdated practices will have to be done away with. We need to have modern management techniques, technology infusion and collaborative efforts to help and the state defence industries serve the country efficiently. With this purpose the Government has initiated steps towards Corporatisation of OFB. I am sure this step will not only help remove the constraints of controlled pricing, but will also infuse corporate management practices and efficient systems. I understand that it will be a challenge for OFB to reinvent itself but I hope they will succeed in it."*

Since, the Defence Minister has made this announcement whenever Strike Notice is pending with the MoD, the Federations after discussion have decided to respond on the statement of the Defence Minister. Accordingly, the three Federations vide Letter dated 16.08.2020 have submitted our detailed response to the Defence Minister. A copy of the joint Letter dated 16.08.2020 addressed to the Defence Minister is enclosed as **Annexure-II** of this Joint Circular .

**AIDEF, INDWF and BPMS writes to the Defence Minister for allotment of workload to Ordnance Factories especially those items which are now banned for import by the Government of India.**


As decided in the joint meeting of the three Federations and CDRA held on 15.08.2020 a joint representation to the Defence Minister requesting him to allot those items which are now banned for import by the Government of India should be given to Ordnance Factories. A copy of the joint Letter dated 16.08.2020 addressed to the Defence Minister is enclosed as **Annexure-III** of this Joint Circular.



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Copy also to :

**The General Secretaries**

CDRA, NPDEF, AIBDEF,  
DGOH HQ. Employees Associations & IOFSOA

For your kind information please

**ALL INDIA DEFENCE EMPLOYEES' FEDERATION  
INDIAN NATIONAL DEFENCE WORKERS' FEDERATION  
BHARTIYA PRATIRAKSHA MAZDOOR SANGH**

**(RECOGNIZED FEDERATIONS OF DEFENCE CIVILIAN EMPLOYEES)**

**FIGHT TILL THE LAST TO SAVE THE ORDNANCE FACTORIES FROM THE  
DANGER OF CORPORATISATION AND PRIVATISATION !**

**A LONG BATTLE OF 20 YRS., BY THE EMPLOYEES  
OF ORDNANCE FACTORIES CONTINUOUS !**



**OBSERVE 20/08/2020**



**AS CALL ATTENTION DAY AGAINST CORPORATISATION OF OFB !**

**SAVE ORDNANCE FACTORIES ! SAVE NATION !**

**INTENSIFY THE PREPARATIONS FOR THE SUCCESS OF THE  
INDEFINITE STRIKE COMMENCING FROM 12/10/2020 !**

The Ordnance Factory employees are fighting a long drawn battle against the evil design and conspiracy to Corporatise the Ordnance Factories and then to privatise the same. In 2002 when late George Fernandes was the Defence Minister, the first proposal was mooted to Corporatise the Ordnance Factories in to a Public Sector/corporatization. Against the recommendations of the Nair Committee the three Federations (AIDEF, INDWF & BPMS) gave a strike notice and on 22/04/2002, late George Fernandes invited the Federations and gave a written assurance that Ordnance Factories would not be Corporatised. Again during 2006, the proposal for Corporatisation came up for consideration of the Government based on Vijay Kelkar Committee Recommendations. Against this the Federations started agitating and when a strike notice was issued, the then Defence Minister Shri.Pranab Mukerjee held a meeting with the Federations and he also gave a written assurance, that Ordnance Factories, would not be Corporatised. Once again during 2007, the proposal was processed for the approval of the Government. The Federations immediately plunged in to various Action programmes and on 26th June 2007, the then Defence Minister Shri.A.K.Antony called the Federations and assured that, since the Federations were opposed to the Corporatisation of Ordnance Factories, the Government would not Corporatise Ordnance Factories. Finally during 2015, another attempt was made to Corporatise the Ordnance Factories , however due to our relentless struggle the then Defence Minister late Manohar Parrikar also gave an assurance to the Federation that the ordnance Factories would not be Corporatised. In the same year 2015, the Government informed the Parliament that Ordnance Factories would not be Corporatised.

Inspite of all the above written assurances during the year 2019, when the present Government came to power 2nd time, an 100 days Agenda was formulated and one of the Agenda was to Corporatise the Ordnance Factories. Immediately after this the Federations represented to the Defence Minister to withdraw the arbitrary decision which is a clear



violation of the past written assurances. However the Government proceeded with its decision and a Cabinet Note was prepared in this regard. The Federations gave a strike notice for observing one month strike, commencing from 20/08/2019. During the midst of the strike the Chief Labour Commissioner(Central) intervened and invited the Federations and MoD for a discussion. Based on the understanding reached in the presence of CLC, Secretary(DP) convened a meeting with Federations on 23/08/2020, in which the Secretary(DP) informed that the Government has not taken a final decision to Corporatise OFB. The Secretary(DP)) also agreed to constitute a High level Official Committee to interact with the Federations. On this assurance, the one month strike was deferred. However when the HLOC was constituted during Sept. 2019, it was not in conformity with the assurance given by the Secretary(DP), therefore the Federations have proposed for amendment in the Terms of Reference given to the HLOC. The Government refused to do so and hence after attending two meetings of the HLOC, we stayed away from the toothless HLOC..

On 16/05/2020, the Government taking advantage of the COVID-19 pandemic situation announced the decision of the Government to convert OFB in to a Corporation / PSU and thereafter to be listed in the Stock Market. From 17/05/2020 onwards, the Federations have so far given 16 Joint representations, the Government has not bothered to consider our representations which we have submitted to the President of India, Prime Minister, Defence Minister and other Higher Authorities. A meeting was convened by the Secretary(DP) on 28/07/2020, in which we have placed our views against Corporatisation of OFB very forcefully and the Secretary(DP) assured that he will convey our concerns to the Defence Minister urgently. However there was no communication from the MoD and hence on 04/08/2020 we served the Strike notice on the Government for an Indefinite strike commencing from 12/10/2020 in support of our three major demands.

## **DEMANDS**

- 1) To withdraw the proposed move of the Government to convert the departmentally run Ordnance Factories into a Corporation / PSU, as the said move has not been supported by sufficient materials to substantiate not only the so called lack of accountability, autonomy and efficiency in Ordnance Factories, but also violating the commitments given by the Government and Defence Ministers in the past in the various forums and also in the meeting held with Secretary (DP) on 23-8-2019.
- 2) Set up an Expert Committee for studying the requirement / methodology for improving the efficiency, performance, productivity, accountability of the top management, integration of various functions, independent R&D, power for entering into TOT etc., of Ordnance Factory Board in the Government setup itself.
- 3) Not to proceed further for converting the OFB into a Public Sector entity which will adversely affect the existing benefits / rights which the employees of Ordnance Factories and the future entrants are eligible as Central Government Employees / Defence Civilian Employees, with entitlement of subsequent benefits / rights granted to Central Government Employees / Defence Civilian Employees by Government of India from time to time and continue to be paid from the Defence Services estimates / consolidated fund of India.



Immediately after the announcement of the Finance Minister many retired Army Generals who are in the pay roll of many Private Defence Industries have started writing abusive and malicious Articles against the Ordnance Factories and its employees and Trade Unions, against which we have protested to the Defence Minister. Again on 13/08/2020, the Defence Minister made a statement that Government has initiated steps towards for Corporatisation of OFB. The game plan is very clear. The 41 Ordnance Factories are having more than one lakh Crore worth assets and more than 62 thousand acres of land given by the Farmers and State Governments. Once it became Corporation then the sale out will be easy for the Government. It is not only a matter of service conditions of the Ordnance Factory Employees, but it is a very serious matter concerning the National Security and Defence preparedness of our country. The Armed forces cannot be asked to depend on the crony Capitalists and the Private Corporates for their requirements. Therefore we have to intensify our struggle and each and every employee of the Organisation should come forward voluntarily to join this historical indefinite strike which is commencing from 12/10/2020. It is a matter of life and death for every employee. If we miss this opportunity to jointly fight back, then there is no meaning in blaming anybody once the OFB Organisation faces its worst crisis of liquidation when it becomes a Corporation/PSU.

In view of the above, the Federations with folded hands appeal to all the Defence Civilian Employees and patriotic citizens of this country including political parties, and people from all section of the society who are concerned with the national security and defence preparedness may please come forward and support our struggle to save the 219 yrs., old premier Defence industry of our country.

# **SAVE ORDNANCE FACTORIES ! NATION !**

**LET US NOT ALLOW THE RS.1 LAKH CRORE VALUABLE NATIONAL ASSETS  
TO BE HANDED OVER TO CRONY CAPITALISTS AND PRIVATE CORPORATE !**

**LET US BE PREPARED FOR ALL TYPES OF SACRIFICE TO  
SAVE OUR ORDNANCE FACTORIES FROM LIQUIDATION !**

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President/AIDF

**ASHOK SINGH**  
President/INDWF

**G.THIRUKUMAR**  
President/BPMS

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**ALL INDIA DEFENCE EMPLOYEES' FEDERATION**  
**INDIAN NATIONAL DEFENCE WORKERS' FEDERATION**  
**BHARTIYA PRATIRAKSHA MAZDOOR SANGH**  
**(RECOGNIZED FEDERATIONS OF DEFENCE CIVILIAN EMPLOYEES)**

Ref. No. : 24/AIDF/INDWF/BPMS/20

Date : 16.08.2020

To,

**Shri.Rajnath Singh Ji,**  
 Hon'ble Defence Minister  
 Government of India,  
 New Delhi.

**SUBJECT : SERIOUS CONCERNS OF THE DEFENCE CIVILIAN EMPLOYEES ON THE HON'BLE RM'S STATEMENT PUBLISHED IN THE MOD'S PRESS RELEASE ON 13/08/2020 ABOUT THE PROPOSED MOVE OF THE GOVERNMENT TO CORPORATISE THE ORDNANCE FACTORIES.**

Respected Sir,

In a press release issued by the MoD on 13/08/2020 the following statement of the Hon'ble RM was published.

*"Referring to Corporatisation of OFB, Shri.Rajnath Singh said "if government owned defence industries are to compete at national and international level then the outdated practices will have to be done away with. We need to have modern management techniques, technology infusion and collaborative efforts to help and the state defence industries serve the country efficiently. With this purpose the Government has initiated steps towards Corporatisation of OFB. I am sure this step will not only help remove the constraints of controlled pricing, but will also infuse corporate management practices and efficient systems. I understand that it will be a challenge for OFB to reinvent itself but I hope they will succeed in it."*

This statement was made by the Hon'ble RM when a strike notice issued by the three Recognised Federations and the Trade Unions of Ordnance Factories for an Indefinite Strike commencing from 12/10/2020 against Corporatisation of OFB is pending before the Ministry of Defence. At the outset we would like to know from Hon'ble RM that whether the Government has taken a decision to abruptly change the



existing role of OFB a “War Insurance” to create and hold capacity in reserve to meet for surges in requirements during a crisis or as a sole business entity to compete in the national and international markets. If so, this will entirely change the character and structure of 219 years old Indian Ordnance Factories. We do not know that while deciding, this whether Government has considered the fact that is it commercially viable to undertake manufacture of a product required desperately by the Army on the ground that it will make a dent in its profit or result in losses. Ultimately the Ordnance Factories may not even undertake production of any Defence items and we suspect that the final destination envisaged by the Government is to hand over the Ordnance Factories lock, stock and barrel in to private hands. Whether the Hon’ble RM has been properly briefed by the bureaucrats sitting in south block about the serious impact on the future of this Defence industry, once it is converted in to a Corporation. We have our genuine doubts in this regard. Moreover whether the past assurances given in the Parliament and also to the recognised Federations has been brought to the notice of Hon’ble RM is also not known to us.

According to us the decision of the Government to corporatize the Ordnance Factories is prime facie will conceived and effect of this major decision of the Government will have the opposite effect of destroying the only reliable supplier of Armed Forces. The systems that are existing in the Ordnance Factories are far superior when compared to any production agency. The Ordnance Factories are the initiators of the best process and systems and we are proud record here that the ISO 9000 is an offshoot and the siblings of the systems obtained in the Ordnance Factories. Ordnance Factories are strategic units. Unlike commercial entities, where capacities are created based on the market demand and competitors in the race with the aim of making profit and an acceptable return on investment. The genesis based on which capacities are created are to cover War Wastage Reserve (WWR) and Annual Training Requirements (ATR). Consequently there is a built in redundancy to ramp up production at short notice in the event of a war. The cost of products are bound to be high and would be more so if the Factories run at sub-optimal capacities. Therefore to compare OFB and private sector is not a correct way of approach. No intense war is fought beyond a few weeks, at the most and there after settles down to peace load operations. Capacity utilisation is sub optimal and the cost of products would further escalate. In such a scenario, we fail to understand that how the Government is convinced that Corporatisation is the bottom line which would continue to be in the red. The grandiose proposal of entering the stock market would be a pipe dream. Therefore as demanded by the Federations, the pragmatic approach of restructuring OFB would be within the overall confines of the existing setup.

Our 15 representations against the decision of the Government to Corporatise the Ordnance Factories and our strike notice dated 04/08/2020 is remaining



unattended by the Government. On 28/07/2020, when the Secretary(DP) convened a meeting with the three Federations, all of us have categorically placed our views against Corporatisation of Ordnance Factories **and proposed that the decision of the Government to corporatize the Ordnance Factories should be withdrawn and an Expert Committee may be constituted to study restructuring of OFB for improvements in the existing structure efficiency, autonomy, accountability, productivity, quality and customer satisfaction.** The Secretary (DP) assured that he will communicate our proposals and concerns to the Hon'ble RM at the earliest. However, till date we have not received any intimation from the MoD, whether our concerns and also proposals are communicated to your honour or not.

We feel, that the announcement made by the Hon'ble RM is against the past assurances given in the Parliament and also to the Federations, that there is no proposal to corporatize the Ordnance Factories. the commitments and assurances given earlier in various forums are appended below for your kind reference.

- 1) The Minister of State in the Ministry of Defence while replying to unstarred Question No.833 on 03/03/2015 in the Rajya Sabha have stated that there is no proposal at present to Corporatise the Ordnance Factories in the country and hence the question of taken in to confidence all the stake holders including the Federations of Defence Civilian employees does not arise. It was also stated by the Minister that in the past assurances were given by the Government to the employees Federations, that Ordnance Factories would not be converted in to a Corporation.
- 2) On 22/04/2002 in a meeting held with the three Federations, the then Defence Minister late George Fernandes assured the following  
*"1) **there was no proposal for privatisation/ corporatisation of the Ordnance Factories or any other Defence Establishment at present. In fact, the government would encourage growth of ordnance Factories"***
- 3) On 18/09/2006 in a meeting held with the three Federations, the then Defence Minister Shri.Pranab Mukherjee assured the following:  
*"2) **At the outset, Hon'ble RM welcomed all the participants. He observed that the Federations have expressed certain concerns and apprehensions regarding two recommendations contained in Kelkar Committee Report. One of the recommendations is that Ordnance Factories should be corporatized. Hon'ble RM stated that the Government has not decided to corporatize Ordnance Factories and that there is no cause of action for the Federations to begin an agitation on this issue"***



- 4) In another meeting held under the Chairmanship of Secretary(DP) on 31/08/2006 with the three Federations the Secretary(DP) has given the following written assurances.

**"2..... Secretary(DP) stated that except recommendation relating to corporatization of Ordnance Factories, no other recommendations of the Kelkar Committee affected the OFB. He informed the representatives of the Federations that no decision has been taken on the recommendation relating to corporatisation of Ordnance Factories and assured them that all stake-holders including the Federations would be consulted by the Government before taking a decision on this issue"**

- 5) In the meeting held with the three Federations on 26<sup>th</sup> June 2007, under the Chairmanship of the then Defence Minister Shri.A.K.Antony the following assurance were given in writing.

**"2) RM further observed that as the Federations were opposed to Corporatisation of OFs, his predecessor had categorically assured them that there was no intention to implement the recommendation of the Kelkar committee relating to Corporatisation of Ordnance Factories. He said that the present policy is the same."**

- 6) In a DO letter dated 18<sup>th</sup> June 2007 the then Defence Minister Shri.A.K.Antony has given the following assurance to the General Secretary of AIDEF.

**" As already assured, the Government does not, at present, intend to corporatize the Ordnance Factories. We do not intend to breach the agreement between the Ministry of Defence and its employees by indirectly converting the Ordnance Factories into a Corporation modules, as apprehended.**

- 7) Subsequent to our meeting with the then Hon'ble Defence Minister Shri.Manohar Parrikar on 12/01/2015, he has assured that there is no proposal to Corporatise the ordnance Factories and thereafter to our representation addressed to him dated 07/02/2015 the Ministry of Defence vide it sletter dated 15<sup>th</sup> April 2015 **have responded that at present there is no proposal to corporatize the Ordnance Factories.**

Sir, in this situation your honour have now stated that **"if Government owned Defence Industries are to compete at national and international level then the outdated practices have to be done away with"**. While there cannot be any objection that the contemporary practices of management has to be followed, but to our understanding OFB is managed with such contemporary practices of management, such as practice of 5S, Kaizen, TPM etc., deploys modern practices of modern



management, quality management techniques, and various statistical process control methods etc. We are of the firm view that there is no such technique that Corporate Sectors deploys and not adopted by OFB. However the OFB being a defence Organisation does not market it properly. We also appreciate the fact that any organisation has to change with times, so is with OFB. OFB is dependent on DRDO for major products and for quality assurance the DGQA. This dependence on DRDO and DGQA is thrust upon on OFB by none other than the MoD, Therefore at first the MoD has to change the working systems of OFB to make responsible for the functions of R&D and quality as well, by giving enough time for transition by this OFB will greatly benefitted by the same.

The RM has further stated about the constraints of the controlled pricing. We feel that the Hon'ble RM need not worried about the pricing of OFB products, as the user gets value for money in the form of life time support for the equipments, uneconomic order quantity, fluctuating order quantity that comes with it, which is far more important for maintaining operational preparedness.

*A comparison of some of the products' issue prices of 2017-18 and 2018-19 will give an indication of the extent of this achievement. For example the reduction in the price of the Bridge Layer Tank is 5% and 7% for the Stallion mark IV BS-III Vehicle and 10% for the LPTA-715 BS-III, both of which are the work horses for transportation of troops and equipment. In the case of the 84mm High Explosive Anti Tank (HEAT) ammunition and the 155mm Shell the reduction in price is 9.6% and 3% respectively.*

*The differences in the cost of some of the successfully indigenised items are encouraging e.g. the indigenous T-90 tank engine handed over to the then Defence Minister, Smt Nirmala Sitharaman in July 2018 is 34% less than the Russian engine. The indigenous Bi Modular Charge System (BMCS) is 20-30% less expensive than the imported one. Similarly, the difference in the case of 84mm (HEAT 551 and the 125mm , Fin Stabilised Armour Piercing Discarding Sabot (FSAPDS) ammunition is 38.6% and 28.5% respectively.*

*With due regard, we submit that OFB is following most contemporary management practices . The need of the hour is to make national eco -system more competitive as brought out by various indicators, set the eco-system right for Defence by reforms and finally making a strategic plan for dynamic and sustainable advantage of OFB.*

Sir, it is unfortunate that your honour and the entire Government is being misguided by many vested interest inside the Government and in Army and also



people from outside the Government with regard to the functioning and performance of the Ordnance Factories. Many of these people who advocates for Corporatisation and Privatisation of the Ordnance Factories, subsequently joins the private defence industries to serve their interest and for them profit is the only motive and no concern about the national security or defence preparedness of the country. The voice of the 80,000 employees of Ordnance Factories are never heard on these issues, either by your honour or by the decision making authorities of the Government. Our Hon'ble PM always speaks about less government and more governance. Where is the governance in the MoD, when nobody takes the pain to consider various issues raised in our 15 representations submitted between 16/05/2020 and 13/08/2020. Under these circumstances our only appeal to you is that please don't give a room for the history to blame a dynamic and patriotic leader like you, that the decision taken by your honour during your tenure as Defence Minister to Corporatise the Ordnance Factories has resulted in liquidation and disbandment of the 219 years old Indian Ordnance Factories, which stood shoulder to shoulder within the Armed Forces in its history of success in war and peace and also pioneered industrial revolution in India. Hope this appeal placed before you on behalf of the 80,000 Defence Civilian employees of Ordnance Factories will be considered dispassionately, judicially and sympathetically.

With kindest regards,

Yours Sincerely,



**(S.N.PATHAK)**

President/AIDF

**S/d**

**(ASHOK SINGH)**

President/INDWF

**S/d**

**(G.THIRUKUMAR)**

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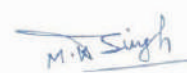


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**ALL INDIA DEFENCE EMPLOYEES' FEDERATION**  
**INDIAN NATIONAL DEFENCE WORKERS' FEDERATION**  
**BHARTIYA PRATIRAKSHA MAZDOOR SANGH**  
(RECOGNIZED FEDERATIONS OF DEFENCE CIVILIAN EMPLOYEES)

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Ref. No. : 25/AIDEF/INDWF/BPMS/20

Date : 16.08.2020

To,

**Shri.Rajnath Singh Ji,**  
Hon'ble Defence Minister  
Government of India,  
New Delhi.

**SUBJECT : ALLOTMENT OF WORKLOAD TO ORDNANCE FACTORIES**  
**ESPECIALLY THOSE ITEMS WHICH ARE NOW BANNED**  
**FOR IMPORT BY THE GOVERNMENT OF INDIA – REG.**

Respected Sir,

The Hon'ble RM has made an announcement on 09/08/2020 that the Department of Military Affairs and Ministry of Defence has prepared a list of 101 items for which there would be an embargo on the Import beyond the time limit indicated against them. It is also stated that the list is prepared by MoD after several round of consultation with all stake holders including Army, Airforce, Navy, DRDO, DPSUs, OFB and Private Industry to assess current and future capabilities of the Indian Industry for manufacturing various Ammunitions, Weapons, Platforms and Equipment within India. The three recognised Federations of the Defence Civilian Employees are repeatedly pleading with the Government to provide full workload to the Ordnance Factories for fully utilising the available capacity, infrastructure and manpower. The Federations also are repeatedly representing that the items which can be manufactured in the Ordnance Factories should not be imported. We are happy that now atleast the Govt. has taken a decision to impose ban on import of 101 defence equipments from foreign Arms manufacturers. Out of the 101 Items identified for import embargo, the following items can be straight away manufactured in the Ordnance Factories, for which all facilities are readily available.



<b>Sl.No.</b>	<b>Name of Platform/Weapon/system/ Equipment</b>	<b>Ordnance Factories which has got the capacity to manufacture these items</b>
01.	120mm Fin stabilized Armour Piercing Discarding Sabot (FSAPDS) Mark-II Ammunition	HAPP & Ordnance Factory Khamaria
02.	7.62x51 Sniper Rifle	Rifle Factory Ishapore
03.	Tracked Self Propelled (SP) Gun (155mm x 52Cal)	Gun Carriage Factory
04.	Towed Artillery Gun (155mm x 52Cal)	Gun Carriage Factory
05.	155mm/39 Cal Ultra-Light Howitzer	Gun Carriage Factory
06.	Bullet Proof Jackets	Ordnance Clothing Factory, Avadi.
07.	Ballistic Helmets	Ordnance Clothing Factory, Avadi.
08.	Shipborne Medium Range Gun	Ordnance Factory Trichy and HAPP Trichy.
09.	Torpedo Tube Launcher for Light Weight Torpedoes	HAPP Trichy
10.	All variants of Depth Charges	Ordnance Factory Khamaria
11.	General purpose pre-Fragmentation Bombs between 250-500 Kg	Ordnance Factory Khamaria and Ordnance Factory Bolangir.
12.	Aerial Delivery systems for Transport Aircraft	Ordnance Parachute Factory
13.	CBRN Decontamination & Protection	Ordnance Equipment Factory Kanpur
14.	Dragunov Upgrade System	Rifle Factory Ishapore
15.	500 Ton Self Propelled Water Barges	Ordnance Parachute Factory
16.	Field Artillery Tractor (FAT) 6 x6 for Medium Guns	Vehicle Factory Jabalpur.
17.	Light Machine Gun	Small Arms Factory & Rifle Factory Ishapore



Sl.No.	Name of Platform/Weapon/system/ Equipment	Ordnance Factories which has got the capacity to manufacture these items
18.	125mm Fin Stabilised Armour Piercing Discarding Sabot (FSAPDS) New Generation Ammunition	HAPP Trichy
19.	Assault Rifle 7.62 x 39mm	Ordnance Factory Trichy
20.	Ultra Howitzer Towed Arty Gun and Self propelled Gun	Gun Carriage Factory
21.	Pinaka Rocket System	Ordnance Factory Ambajhari & OF Chanda

In this regard we wish to draw your kind attention to the assurance given by MoD to the Federations in a meeting taken by the then Hon'ble RM on 18/07/2001, with the three Federations. ***During the discussion in the meeting the Addl. Secretary(DP&S) has committed that Ordnance Factories will have the first opportunity for productionising an equipment.***

We feel that Combined with the desire of the present Government for greater self reliance in defence production, it is the right time for the Government to support the aged old and proven Government Sectors with the required investments for modernization etc., which can benefit the Ordnance Factories and the DPSUs and could usher in self sufficiency and the growth of economy at a large. You are also aware that OFB is the only Organisation in the world which makes the entire range of Ammunition from 5.56 mm to 155 mm and Weapons from 5.56 mm INSAS Rifle to 150mm x 45 Caliber, Dhanush Artillery Guns System, Tanks, Engines, all types of Protective Equipments, Troop Comfort items, Vehicles, Optical instruments, Tents, Parachutes and so on.

In the press statement issued by the MoD on 09/08/2020, it is stated that MoD adopted many progressive measures to encourage and facilitate "Ease of Doing Business' by the Defence Production entities. This implies that the Govt. is very much obliged towards the Private Industries and that all these items will go to the Private Industries which is actually not in existence. Even though Govt. has given Industrial Licenses to more than 340 private Industries for Defence manufacturing, majority of them have not established any Unit so far. It is also understood that the Govt. have also allotted land to many private industries like Reliance Defence etc., for construction of Defence Industrial Complex. It would be prudent to know whether any study has been conducted by the Govt so far, whether they have really established any Industry or not. **At present majority of the Ordnance Factories are struggling without**



**sufficient workload. It is the bounden responsibility of the Govt. to first keep the workforce of Ordnance Factories fully engaged and utilize the already installed Capacity in the Ordnance Factories. Unfortunately that is not taking place. We fail to understand that why the Government is keeping the available capacity of Ordnance Factories unutilized and making the workers idle and feeding the private industries.**

The experience with Private Industries is that they follow only screw driver technology, by either purchasing sub assemblies and components from petty contractors/suppliers and assemble the same and claim that they have successfully implemented the flagship mission of "Make in India". We feel that this will definitely compromise the quality of the Defence Equipments and which will have far reaching implications on the National Security. The Ordnance Factory workers are exclusively trained for Defence Production and the country cannot get the same quality from the Private sectors. It is a known fact the private sector Industries are in the field only to earn profit and not serve the interest of the Nation. Therefore we once again reiterate that Country's security needs should not be handed over to the Crony Capitalists and Private Corporates, whose interest is only to earn profit and nothing else.

We therefore propose the following, for your favourable consideration. At present there is a discrimination between OFB and Private Industries. The order for private industries for Ammunition contemplated is for 10 years, but for OFB it is Roll on Plan against which Targets keep varying not even for a year. This discrimination should be removed.

Government of India has put an a embargo on any further investment on OFB and DPSUs, there is no such barrier for Private Industries, rather Govt. has assured funding for make category to the Private Industries. This discrimination needs to be removed.

In the past many trials of various items produced by Ordnance Factories like Multi Mode Granade and Pinaka were conducted and subsequently the bulk order was given to Private Industries, thereby jeopardising the entire efforts of Ordnance Factories. This type of discrimination towards OFB has to be nipped in the bud.

Army has floated RFP for many items including different types of Ammunition for procurement, when all these items can very well be manufactured in the Ordnance Factories. The Hon'ble RM may kindly reconsider this and direct the Army to place the indent on Ordnance Factories instead of floating RFPs.

The items declared by the Government as Non-core, and decided to outsource the same may be reconsidered and all these items may be given back to the Ordnance Factories, since the Army is struggling to get the above items with specified quality from the market/trade.



Sir, apart from the above, our proposal with regard to the other products given in the Import embargo list, is that for developing the design and technology for those items, a mechanism should be evolved in which DRDO, OFB, DPSUs and Armed Forces should come together to complete the task on time. Accountability also needs to be fixed of any failure on the part of the above entities. We are of the firm view that if the Make in India has to succeed in Defence production, then the goal should be to make India self reliant by involving DRDO, OFB and DPSUs, as a formidable partners, so that we can garner world class defence technology by unleashing our own hidden technological capabilities and know how. We are confident that the Hon'ble RM will dispassionately consider our proposals in its true perspective, so that India can become an international player in Defence manufacturing and solution provider for the Armed Forces of India.

An earlier and favourable response is solicited.

Yours Sincerely,



**(S.N.PATHAK)**

President/AIDEF



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**S/d**

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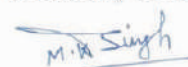
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Copy to :

- 1) **The Defence Secretary**  
Ministry of Defence.  
South Block , New Delhi.
- 2) **The Secretary (DP)**  
Department of Defence Production.  
South Block, New Delhi.
- 3) **The Chief of Defence Staff**  
**And**  
**Secretary to Government of India**  
Department of Military Affairs  
Government of India, South Block  
New Delhi.
- 4) **The DGOF & Chairman**  
Ordnance Factory Board,  
Kolkata.

For kind information and  
necessary action please.