

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

Joint Circular No. : 56/2020

Date : 11.09.2020

To,

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

**MOD APPOINTS M/S. KPMG ADVISORY SERVICES PVT. LTD. LED CONSORTIUM
FOR CONSULTANCY ON CORPORATIZATION OF ORDNANCE FACTORIES.**

**FEDERATIONS OPPOSES THE MOVE OF THE GOVERNMENT AND
ISSUE A PRESS STATEMENT AGAINST THE MOD DECISION.**

In spite of the strong opposition by the Federations and two complaints already lodged with the Central Vigilance Commission (CVC) against the EOI cum RFB notified by the Ministry of Defence for selection of consultant to assist the Ministry of Defence in the process of Corporatization of the Ordnance Factories, the Ministry of Defence issued a press statement on 10.09.2020 appointing M/s. KPMG Advisory Services Pvt. Ltd. as the Consulting Agency. The three Federations have oppose the decision of the Government in wasting tax payers money in going on appointing committees and consultants to destroy the Defence Industry. A copy of the Press Statement issued jointly by the three Federations is enclosed as **Annexure-I** of this Joint Circular.

You are requested to kindly release the Press Statement to the local and national Media in your area and ensure its publication.



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For your kind information please

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PRESS RELEASE
FOR FAVOUR OF PUBLICATION

To,

The Editor

**FEDERATIONS OPPOSES THE GOVERNMENT DECISION TO SELECT KPMG
 ADVISORY SERVICES PVT. LTD. AS THE CONSULTANCY AGENCY FOR
 CORPORATIZATION OF ORDNANCE FACTORIES.**

**MINISTRY OF DEFENCE IS WASTING TAX PAYERS MONEY
 IN COMMITTEES AND CONSULTANTS**

**FEDERATIONS INTENSIFYING THE PREPARATIONS FOR
 INDEFINITE STRIKE COMMENCING FROM 12.10.2020**

The 80 thousand Defence Civilian Employees of 41 Ordnance Factories are very much shocked to note that the MoD have selected M/s. KPMG Advisory Services Pvt. Ltd. as the consultancy Agency for Corporatization of Ordnance Factories. This arbitrary decision was taken by the Ministry of Defence when two complaints have been already lodged in public interest with the Central Vigilance Commission (CVC), PMO and MoD alleging serious lapses of standard norms for contracting for Corporatization of OFB through consultancy. The Federations have also lodged a complaint in this regard to the Supreme Commander of the Armed Forces the President of India, the Prime Minister and the Defence Minister.

The Defence Ministry for the past few years are spending taxpayers money and going on appointing Committees and Consultants for destroying the state owned Defence Industry like Ordnance Factories, DRDO, MES, EME Workshops and DGQA etc. The Federations have already challenged how the so-called Corporatization will make the Ordnance Factories more efficient and serve the cause of self-reliance better, especially when already the Armed Forces have stopped placing orders on the Ordnance Factories, this will result in all the Ordnance Factories becoming sick and closure. So far the Ministry of Defence is silent on this.

It is understood from media reports that a senior bureaucrat has made a complaint to the Prime Minister alleging that a senior executive in KPMG India's advisory service offered a Joint Secretary posted in their department a **"substantial bribe"** in exchange for awarding a large consulting project. We fail to understand that why the Ministry of Defence is so keen to hand over a project which is going to destroy the Ordnance Factories to a tainted private company. We demand an inquiry into this allegations.

While spending huge money on these committees and consultants the Nation stands to be loser. The Defence Preparedness will be at Stake, as slowly the mighty Ordnance Factories with more than 219 years legacy will be soon destroyed. Rs. 1 lakh crore worth assets with 65000 acres land will be the casualty. The winners in the game will be the consultants, who are expected to take a big chunk of payment without any contribution, since MoD has already decided to Corporatize the Ordnance Factories. The consultants will run away by giving a plan for 4-5 years, but the whole payment will be taken within 1 year. Afterwards neither the consultant nor the MoD Officials who ever is involved in this will not be there when the debacle of the Ordnance Factories takes place. They all will escape and run away.

The Government has failed to address the concerns of 80 thousand odd OFB Employees regarding their job security and prospects at a time while unemployment is multiplying across COVID-19 pandemic affected India. Without addressing all these issues the Ministry of Defence Officials feels happiness in appointing Committees and consultants by spending huge amount of tax payers money. The 80 thousand workforce of Ordnance Factories reject the consultant and the Federations oppose the move of the Government and are intensifying the preparations for the commencement of Indefinite Strike from 12.10.2020 onwards. The Defence Employees of Navy, DRDO, MES, EME, DGQA, Air Force and AOC will also participate in a **"One Day Strike"** on 19.10.2020 in support of their own unsettled demands and also to extend solidarity in support of the Indefinite Strike of Ordnance Factory Employees.

Thanking you,

Yours Sincerely,



(S.N.PATHAK)

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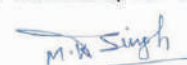
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