



BHARATIYA PRATIRAKSHA MAZDOOR SANGH

(AN ALL INDIA FEDERATION OF DEFENCE WORKERS)

(AN INDUSTRIAL UNIT OF B.M.S.)

(RECOGNISED BY MINISTRY OF DEFENCE, GOVT. OF INDIA)

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To

Shri Narendra Modi Ji,
Hon'ble Prime Minister,
Government of India,
South Block, Raisina Hills,
New Delhi 110 011

Sub :- "Make in India" a misnomer in Defence Production

Sir,

Most respectfully, we place on record the following aspects pertaining to the concept of "Make in India" as is being implemented in the arena of Defence Production, particularly in Land Systems, for your kind consideration and appreciation.

As an organisation which considers National interest as its top priority, we whole heartedly support the concept of "Make In India" and fully endorse the policy which envisages that instead of Imports, let us manufacture here, so that apart from saving precious foreign exchange, employment generation can also take place.

However, we regret to inform that certain vested elements, particularly in the bureaucracy, are subverting the core policy to encourage private sector at the cost of the time tested government departmental organisation, Ordnance Factories.

Time and again, we have been pointing various acts of bureaucrats in intentionally subverting the interests of Ordnance Factories, to the competent authorities, however, since expected results are not forthcoming and the situation is deteriorating with the passage of every day, we have no other option rather than bring the issue to your kind personal attention.

While we value your time and effort taken in the overall administration and progress of the Nation, we earnestly request you to kindly spare your few valuable moments to give a thought to this serious problem.

We now place on record a **LIVE EXAMPLE** of our contention as mentioned above.

A RFP was issued for up gunning of existing 130mm M-46 guns to 155mm/45 Cal – Qty 300 nos. This RFP was issued in Dec 2013 and the techno-commercial bids were filled in April 2014. OFB gave two bids for two separate equipments. OFB, Bharat Forge and Punj Lloyd submitted their bid. In Oct 2014, two 130mm Guns were issued to OFB by Army for their Up gradation, one for each design offered by OFB. 12 months time was given to carry out upgun and resubmit the equipment for evaluation. Internal Trials under the aegis of Indian Army were held in Jan 2016. Users Trials were held from May to July 2016 and the winter environmental performance was done in Jan 2017. In between MET trials were completed in Aug-Sep 2016 at MAG-8, Jabalpur.

Here it may be pertinent to note that the “competitors” in this RFP were two Private Firms (1) M/s Punj Lloyd and (2) M/s Bharat Forge. More important to note that both the Private firms do not have any manufacturing facilities of their own and the Guns submitted were only perhaps locally assembled after procurement through CKD, suffice to note that during field trials both these firms engaged the services of foreign technicians & crew.

During Summer trials in June-July 2016, all the vendors fielded their guns and following parameters were evaluated during Field Evaluation Trials (FET) through actual gun firing:

S. No.	Characteristics	Parameters
1	Firing Performance: (a) Maximum Range (b) Direct Fire on Target (3mx3m)	≥ 28 Km ≥ 36 Km Minimum 1.0 Km
2	Accuracy & Consistency	
3	Rate of Fire (a) Intense for 3 Min (b) Sustained for 60 Min	Minimum 3 Rds/min in High Zone Minimum 42 rds

During firing trials in June/July 2016, after each stage of the trials, a debriefing of all the vendors was carried in a common meeting as regards the performance of their equipment. Compliance or otherwise, vis-à-vis the RFP parameters, was specifically communicated to all the vendors at the trial location itself. After completion of all the trials (Firing & Non-firing parameters as per RFP) a final report was compiled by the Trial Team. It is learnt that **this report clearly indicated that OFB_SLB gun is compliant in all the parameters of RFP**. All these reports were signed by representative of all the vendors, however no copy of these reports were provided to the vendors.

During the summer trials, the other two vendors, M/s Bharat Forge and M/s Punj Lloyd were declared non-compliant in the “Accuracy and Consistency parameter of A&C firing series” and this was duly informed and recorded by the trial team during the field trial stage. This non-compliance was repeatedly recorded in firing reports and was signed by representatives of all vendors, including OFB. These reports would be available in WE records.

It is pertinent here that the trial directives had built in redundancy for the two critical parameters (Accuracy and Consistency parameter of A&C firing series). In both these firing series of “Accuracy” and “Consistency” there were five series of 13 rounds each. Out of these 13 rounds, best 8 rounds were considered for evaluation. “Accuracy” series had further redundancy wherein results of best three series (out of five series) were considered for evaluation. **The equipment of M/s Bharat Forge and M/s Punj Llyod failed to achieve RFP parameters** despite having such a high level of redundancy were recorded as non-compliant on site.

However, it is now intimated to OFB to our utter surprise that OFB_SLB gun has been considered non-compliant during GS evaluation against the parameter of Sustained Rate of Fire, which was found and recorded as 'COMPLIANT' in each report prepared by the trial team.

A confirmatory Trial of all equipments has now been proposed by declaring OFB gun as Non-Compliant in a parameter which the equipment has already complied in Field Evaluation Trials report. This has been done to give undue favour to other two vendors who became non-compliant during FET. ***As per RFP, there is no provision of retrial for any failed parameter and the WE proposal is in fact a Retrial (in the name of Confirmatory Trial) for the non-compliant parameters of the failed equipment of M/s Bharat Forge and M/s Punj Llyod.***

The following are some of the important aspects to note :

- **OFB Gun is the ONLY 100% indigenous gun in this RFP.**
- Both Bharat Forge and Punj Llyod have fielded foreign guns (of Elbit Systems, Israel and Yugo Import, Serbia respectively).
- Both the private vendors even fired the guns under the supervision of foreigner technicians/crew.
- Both the private vendors failed in the Most Important and critical parameter of Accuracy & Consistency spite having built in redundancy in the series. In contrast OFB_SLB gun has performed exceedingly well in this series and our performance was 100 times better as far as aiming is concerned. *(Against the permitted range of around 220 meters from the target point, our rounds have fallen as close as 2 meters. In fact our farthest round has fallen at around 50 meters from the target.)*
- After trials itself, both the private vendors started efforts to somehow get the permission of re-trials. They started complaining about OFB and influencing the final trial results. This came to OFB's notice and a very Senior Officer of OFB took up the matter with DG/Acquisition after the trials.

It has now been understood that the GS evaluation has completely overturned the FET (Field Evaluation Trials) report by declaring OFB gun as non-compliant in one of the parameters of sustained rate of fire.

Under this pretext, they have also invited other vendors for carrying out repair/modifications and field their guns for confirmatory trials for A&C. As both of them were non-compliant in this parameter, ***this is in fact a retrial under the garb of confirmatory trials. It is important to note that there is no provision/scope of retrial in RFP*** as well as DPP-2013.

The above is a classic example of how vested elements are misusing the concept of "Make In India" and subverting a good intentioned policy, to benefit private parties, at the cost of the Nation.

Further, Ministry of Defence vide its Letter No.PC-2 to 6(1)/2016/D(Prod-III) dt.27-04-2017 have "declared" many important products of the Ordnance Factories as "Non-Core" and are forcing the OFB

to participate in open RFP. The most important of these products being Stallion and LPTA range of Vehicles of Vehicle Factory Jabalpur. Thus an attempt is being made to deprive VFJ of further licensed production and make the factory redundant. Further, HR Binocular of Ord Fy Dehradun, Ammunition Box of Gun Carriage Factory Jabalpur, Grey Iron Factory Jabalpur, TPT Projectile/Shell/Bomb Empties of Gun & Shell Factory Cossipore, Bomb and Tail Units of Ord Fy Kanpur, Thimble/Lid/Protecting Cap & Candle Smoke Body of Ord Fy Dumdum, Blanket/Trouser (OG)/Shirts (OG)/ Jersey/ NBC Suit MK-IV, Boot High Ankle, Rain Cap (Poncho) of Ord Equipment Fy Kanpur/ Shahjahanpur/Hazratput/OPF Kanpur/OCF Avadi and Jelly Filled Cables are the bread & butter of concerned factory.

We hereby lodge our **strong protest** against the above decision and demand that the same be rolled back and above factories may be permitted to continue to produce the items.

On the similar lines, products of OFB, including very highly sensitive ones like explosives are being given to the Private sector, particularly favoring two firms M/s Solar Explosives Ltd and M/s Premier Explosives Ltd.

Recently, M/s Punj Lloyd in collaboration with Israel Weapon Systems have “commissioned” a factory at Malanpur, Dist: Gwalior, Madhya Pradesh. This factory named Punj Lloyd Raksha Systems, as per press reports, shall be producing small arms, particularly X95 Carbine & Assault Rifle, Galil Sniper Rifle, Tavor Assault Rifle and Negev Light Machine Gun.

In this connection, it is important to note that Ordnance Factories already have 4 dedicated factories (SAF Kanpur, Rifle Factory Ishapore, Ord Fy Trichy & Ord Fy Korwa) to produce small arms and the government should encourage the Ordnance Factories by transferring technology rather than promoting the private sector in such critical production issues. We therefore demand that the Government should transfer the requisite technology to the Ordnance Factories, so that the WAR INSURANCE of the Nation sustains.

From the above it is clear that vested bureaucrats are manipulating, maneuvering and sabotaging and hijacking a well intentioned policy. We therefore request that a serious review of the policy in respect of defence production be made and technology be transferred to Ordnance Factories to ensure reality to the concept of “Make In India”.

With warm regards.

Sincerely yours



(SADHU SINGH)
Organising Secretary