

**GOVERNMENT OF INDIA
DEFENCE
LOK SABHA**

UNSTARRED QUESTION NO:5442

ANSWERED ON:13.12.2010

EXPORT OF ARMS

Majhi Shri Pradeep Kumar;Patel Shri Kishanbhai Vestabhai

Will the Minister of DEFENCE be pleased to state:

- (a) whether arms and ammunition produced by the ordnance factories are exported to other countries;
- (b) if so, the details of the arms and ammunition exported during the last three years and the current year, country-wise;
- (c) the details of the steps taken by the Government to increase the quantum of export;
- (d) whether the Government has received any complaints related to quality of exported arms and ammunition;
- (e) if so, the details thereof; and
- (f) the action taken by the Government thereon?

Answer

MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI M.M. PALLAM RAJU)

- (a) Yes, Madam.
- (b) Details of products exported during the last three years and current year (country-wise) are enclosed as an Annexure.
- (c) Ordnance Factory Board (OFB) is taking the following steps to improve its visibility and market presence:
 - (i) Process for registering itself with Defence Foreign Procurement Offices of other nations through Defence Attaches offices has been initiated.
 - (ii) Potential products for export on OFB website are hosted. There is increased participation in major International Defence Exhibitions.
 - (iii) There is periodic interaction with target customers.
 - (iv) Follow up on the feedback from the customers to improve the response to customer need.
 - (v) Product promotion in military magazines.

In order to improve cost competitiveness OFB is resorting to strategic pricing based on marginal costing.

Products and services for which competence already exists with Ordnance Factories are being identified so as to upgrade them or make their advanced versions to field them as potential export products.

Sources, indigenous and/or foreign, are also being identified to provide synergic inputs for product differentiations.

(d) to (f): No major complaints have been received about the exported quality of arms and ammunitions except for the following:-

- (i) Dent on ammunition boxes during shipment to Turkey.
- (ii) Cartridge 30 mm Aden exported to Indonesia not getting chambered in the gun, though the pre-shipment inspection was carried out by the customer.

The above complaints were suitably addressed to the satisfaction of the customers.