

GOVERNMENT OF INDIA
MINISTRY OF DEFENCE
DEPARTMENT OF DEFENCE PRODUCTION
LOK SABHA

UNSTARRED QUESTION NO.1719
TO BE ANSWERED ON THE 13TH FEBRUARY, 2019
MODERNISATION OF ORDNANCE FACTORIES

1719. SHRI BHARTRUHARI MAHTAB:
SHRI SANJAY DHOTRE:
SHRI RAHUL SHEWALE:

Will the Minister of DEFENCE j{k k ea=h
be pleased to state:

- (a) whether the Government has any proposal for modernization of Ordnance Factories to encourage indigenous production of defence equipments in the country and if so, the details thereof along with the time by which the modernization of Ordnance Factories is likely to be initiated and completed;
- (b) the details of the annual production and turnover of the Ordnance Factories across the country during each of the last three years and the current year, State-wise;
- (c) whether the Government has received complaints of supply of sub-standard material to Ordnance Factories during the said period;
- (d) if so, the details thereof, State-wise and the reasons therefor along with the corrective steps taken / being taken by the Government in this regard; and
- (e) the other steps taken / being taken by the Government to improve the functioning of the Ordnance Factories in the country?

A N S W E R

MINISTER OF STATE
IN THE MINISTRY OF DEFENCE

(DR. SUBHASH BHAMRE)

रक्षा राज्य मंत्री

(डा. सुभाष भामरे)

(a) Yes, Madam. Modernization of Ordnance Factories is an on-going process with an objective to create, maintain and modernize all the capital assets, with appropriate contemporary technology for indigenous production of Defence equipment.

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(b) The annual production and turnover of the Ordnance Factories across the country during each of the last three years and the current year, State-wise is enclosed as Annexure-I.

(c) & (d): Ordnance Factory Board has received complaints of supply of sub-standard material to Ordnance Factories during each of the last three years and the current year as brought out at Annexure-II.

(e) Ordnance Factory Board has been granted functional and financial powers for improving the functioning of Ordnance Factories.

ANNEXURE-I REFERRED IN THE REPLY GIVEN IN PART (b) OF LOK SABHA UNSTARRED QUESTION NO. 1719 FOR ANSWER 13.02.2019

Annual Production and Turnover of the Ordnance Factories during the last three years and the current year, State-wise:

(Value in Crores)									
SL. NO.	YEAR	2015-16		2016-17		2017-18		2018-19 (upto Jan 2019)	
	Factory	Production	Turn-over	Production	Turn-over	Production	Turn-over	Production	Turn-Over
	Union Territory : Chandigarh								
1	Ordnance Cable Factory Chandigarh	58.58	69.61	74.31	83.23	91.62	98.54	82.17	94.16
	STATE : UTTARAKHAND								
2	Ordnance Factory Dehradun	152.82	177.6	243.63	274.96	221.76	235.54	212.05	250.22
3	Opto Electronics Factory, Dehradun	434.97	490.4	726.77	816.87	839.1	885.68	475.16	536.08
	STATE : UTTAR PRADESH								
4	Ordnance Factory Muradnagar	232.73	262.88	249.12	282.17	269.55	269.55	163.21	189.33
5	Ordnance Clothing Factory Shahjahanpur	634.15	634.15	691.72	710.4	504.24	540.22	249.14	277.47
6	Ordnance Equipment Factory Hazratpur	150.16	150.16	200.68	207.14	178.47	196.35	66.81	75.27
7	Ordnance Factory Kanpur	643.07	713.81	718.15	801.41	551.15	554.45	256.66	299.12
8	Small Arms Factory, Kanpur	179.89	196.81	197.75	211.9	168.09	177.9	121.78	148.11
9	Field Gun Factory Kanpur	275.53	307.36	280.81	295.33	208.35	210.87	106.67	126.8
10	Ordnance Equipment Factory Kanpur	548.27	595.07	655.66	712.3	531.14	606.17	311.13	358.47
11	Ordnance Parachute Factory, Kanpur	234.79	240.21	289.45	295.14	177.25	196.83	121.3	141.96
12	Ordnance Factory Project Korwa	7.46	8.22	9.85	10.54	17.93	17.93	7.12	8.3
	STATE :BIHAR								
13	Ordnance Factory Nalanda	6.02	7.86	56.28	63.11	150.99	174.57	284.29	334.65

	STATE : MADHYA PRADESH								
14	Ordnance Factory Katni	284.04	314.72	244.28	276.04	184.85	184.85	55.59	65.6
15	Vehicle Factory Jabalpur	977.56	1057.85	1363.25	1529.14	1354.04	1687.33	385.95	493.94
16	Grey Iron Foundry, Jabalpur	150.11	169.54	175	198.97	155.15	155.16	87.83	103.4
17	Gun Carriage Factory, Jabalpur	605.08	658.34	623.06	687.89	631.54	680.97	394.45	453.73
18	Ordnance Factory Khamaria	1848.23	2071.37	1508.56	1645.35	1460.25	1710.07	1051.35	1222.96
19	Ordnance Factory Itarsi	274.11	286.84	213.92	240.48	249.13	254.43	169.45	199.06
	STATE : WEST BENGAL								
20	Rifle Factory Ishapore	295.8	321.43	319.02	350.14	303.79	310.3	234.89	279.17
21	Metal and Steel Factory	475.15	529.94	523.86	594.82	428.74	428.76	236.93	277.74
22	Gun and Shell Factory	599.15	666.92	710.59	789.93	610.5	622.81	252.78	301.6
23	Ordnance Factory Dumdum	133.19	148.92	143.16	162.25	143.15	153.67	75.7	89.33
	STATE: MAHARASHTRA								
24	Machine Tool Prototype Factory, Ambernath	189.11	222.77	228.74	248	214.46	219.41	148.55	165.34
25	Ordnance Factory Ambernath	527.78	585.4	477.37	539.42	443.1	444.38	230.15	271.57
26	Ammunition Factory Khadki	901.48	1036.9	1042.24	1143.47	830.53	889.3	479.9	552.35
27	High Explosive Factory, Khadki	231.86	253.09	236.3	274.2	163.09	165.66	70.86	83.62
28	Ordnance Factory Dehu Road	257.67	289.27	272.76	316.91	229.61	251.87	182.67	215.55
29	Ordnance Factory Bhandara	374.31	411.74	345.25	388.41	292.29	302.13	271	271
30	Ordnance Factory Chandrapur	1529.01	1680.29	1349.73	1511.41	1317.52	1338.33	770.3	881.25
31	Ordnance Factory Varangaon	531.37	569.19	429.08	459.05	378.93	423.81	279.96	330.96
32	Ordnance Factory Bhusawal	143.99	160.87	177.72	200.89	168.7	168.7	52.19	61.86
33	Ordnance Factory Ambajhari	931.93	991.92	925.87	1041.27	803.73	806.31	437.11	513.4

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	STATE :ODISHA								
34	Ordnance Factory Bolangir	911.6	997.79	1094.49	1180.27	858.96	998.06	435.39	497.15
	STATE :TELANGANA								
35	Ordnance Factory Project Medak	815.87	878.81	885.36	965.23	882.05	968.78	608.05	663.58
	STATE : TAMILNADU								
36	Heavy Vehicle Factory,Avadi	1357.22	1442.7	2275.92	2614.75	2793.26	3546.81	1822.56	1940.22
37	Ordnance Clothing Factory, Avadi	300.29	300.29	390.24	390.24	338.31	368.12	202.62	226.52
38	Engine Factory Avadi	396.24	437.22	511.87	571	485.69	540.32	397.8	498.13
39	Ordnance Factory Tiruchirapalli	101.67	111.71	150.31	165.02	142.14	144.78	103.81	123.98
40	Heavy Alloy Penetrator Project,Tiruchirapalli	164.88	181.33	169.06	198.92	124.65	125.73	100.51	117.94
41	Cordite Factory Aruvankadu	185.78	209.89	210.74	239.25	275.69	275.25	150.86	178.01
	OFB TOTAL:	19052.92	20841.19	21391.93	23687.22	20173.49	22330.70	12146.70	13918.90

ANNEXURE-II REFERRED IN THE REPLY GIVEN IN PARTS (c) & (d) OF LOK SABHA UNSTARRED QUESTION NO. 1719 FOR ANSWER ON 13.2.2019

Sl. No.	Year	Complaint	State	Remarks	Corrective Steps
1	2015-16	Forwarded by CBI/ACB Nagpur on 24-11-2015 regarding attempt by the vendor to re-supply the same rejected lot of Cotton Yarn NE 2/2.	Maharashtra	Case was discovered by factory personnel and suitable disciplinary action taken on errant individual.	Vendor was de-registered and Supply Order cancelled.
2	2016-17	Forwarded by CBI/ACB Jabalpur on 28-07-2016 regarding alleged supply of duplicate spare parts (bearings) by M/s Sidh Sales Syndicate required for the manufacture of 155mm Dhanush to Gun Carriage Factory, Jabalpur.	Madhya Pradesh	Investigation by CVO/OFB did not reveal any complicity of any officials in the supply of duplicate bearings to Gun Carriage Factory, Jabalpur. Case has been forwarded to CBI for investigation regarding supply of the duplicate Chinese bearings in place of bearings from Germany. CBI has registered FIR No. RC. 06(A)/2017-AC.III dated 19/07/2017, which is under the process of investigation.	OFB has decided to debar the vendor.
3	2016-17	Complaint received from Shri K. Saravanan indicating that the new sintering furnace is unable to give desired product output even at 15600 C; and the final product obtained using the newly purchased sintering furnace is not up to the mark.	Tamil Nadu	Out of 4 furnaces, 1 furnace was supplied which did not meet the specification and failed to give desired outputs. Contract was short-closed and investigation revealed lacunae in inspection process of the furnace during its acceptance.	Case has been forwarded to DDP/Vig., MoD for first stage advice from CVC.

4	2016-17	Complaint received from M/s Kavya Trading Corporation, Bibvewadi, Pune regarding acceptance of sub-standard fabrics at Ordnance Equipment Factory Kanpur.	Uttar Pradesh	Investigation revealed that 9 types of fabrics were accepted by Ordnance Equipment Factory Kanpur with deviations in specification.	Charge Memorandum has been served on 3 officials.
5	2017-18	Recd. from CVC vide O.M. No. Conf/7521/17/343848 dated 08.05.2017 regarding receipt of sub-standard and inferior critical input material required in the production of anti-personnel ammunition, i.e., Hand Grenade at High Explosive Factory, Khadki, Maharashtra.	Maharashtra	Investigation did not reveal that sub-standard and inferior critical input material was accepted. But it emerged that there were lacunae in quality checks and procedures.	CVC advised issue of warning letters against six officials.
6	2017-18	CTE-type inspection recommended by CVO/OFB in which it was found that Prisms which were procured from trade sources were not tested at the Quality Control Section, rather acceptance was based on feedback from the User Section after function/fitment trials.	Uttarakhand	The CTE-type inspection dt. 19-12-2017 found that the Quality Control Section, which has inadequate set-up, has been accepting the Prisms based on User feedback instead of carrying out mandatory quality checks.	The consolidated case has been sent to DDP/Vig, MoD. DDP/Vig has asked for draft Charge Memorandum which is under preparation.

7	2017-18	Recd. from CVC vide O.M. No. Conf/8083 /18/371792 dated 19.02.2018 regarding acceptance of same material which was earlier rejected by Ammunition Factory, Khadki, Maharashtra.	Maharashtra	Investigation revealed that inferior material was not accepted by the factory.	CVC advised closure of the case.
8	2017-18	Recd. from CVC vide O.M. No. Conf/6302/15 /355746 regarding acceptance & use of poor quality of Rapeseed Oil, Light Diesel Oil & poor quality in retrofitting of Ermat furnaces.	Maharashtra	Investigation did not reveal that sub-standard and inferior materials were used and accepted.	Case has been closed and filed.
9	2018-19	Received from M/s Tex Corp Ltd., Gurgaon regarding selective sampling during inspection process of Plastic Slide Fasteners, without testing all parameters of the specification.	Uttar Pradesh	Further clarifications have been asked against investigation report.	---
10	2018-19	Surprise preventive check on input material acceptance at Ordnance Factory Muradnagar.	Uttar Pradesh	Surprise check by Director Vigilance revealed that Ferro Molybdenum supplied was tested for only Molybdenum, Carbon and Silicon, but was not tested for Sulphur, Phosphorus, Copper, Aluminium, Lead and Tin. Investigation is under progress.	---