

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

UNSTARRED QUESTION NO.127  
TO BE ANSWERED ON THE 18<sup>TH</sup> JULY, 2018

**CANCELLATION OF ORDERS WITH MSMEs**

127. SHRI GAURAV GOGOI:  
SHRI JYOTIRADITYA M. SCINDIA:

Will the Minister of DEFENCE be pleased to state:

- (a) whether the Ordnance Factory Board (OFB) has recently abruptly cancelled several orders with Micro, Small and Medium Enterprises (MSMEs);
- (b) if so, the facts and the details thereof;
- (c) whether the Federation of Micro, Small and Medium Enterprises have urged the Government / Ministry of Defence to intervene in the matter and save the sector; and
- (d) if so, the reaction of the Union Government in this regard?

**A N S W E R**

MINISTER OF STATE (DR. SUBHASH BHAMRE)  
IN THE MINISTRY OF DEFENCE

रक्षा राज्य मंत्री

(डा. सुभाष भामरे)

**(a) to (d): Recently some Ordnance Factories had to cancel / short-close the Supply Orders placed on MSMEs in the current year due to reduction in procurement of supplies by Army in the light of budget allocation of revenue expenditure in the current year. Federation of MSME Vendors of Defence & Aerospace have submitted representations which are being considered in the Ministry to safeguard the interest of MSME vendors.**

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