## 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:

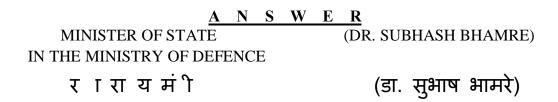
Will the Minister of DEFENCE j{kk ea=h be pleased to state:

(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) 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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