

Chapter - 1

Particulars of the Indian Ordnance Factories Organization – its functions and duties

The Indian Ordnance Factories Organisation is the largest and oldest departmentally run production organisation in the country. The organisation comes under the Department of Defence Production under Ministry of Defence. The corporate head quarters are at Kolkata, West Bengal. Two more branch head quarters are located at Avadi, Chennai and Kanpur, Uttar Pradesh. There are 39 Ordnance Factories geographically distributed all over the country at 24 different locations. There are 10 factories in Maharashtra, 8 factories in Uttar Pradesh, 6 factories each in Madhya Pradesh and Tamil Nadu, 4 factories in West Bengal, 2 factories in Uttaranchal and one each in Andhra Pradesh, Orissa and Chandigarh. 18 factories were set up before Independence. The oldest is Gun & Shell Factory, Cossipore, Kolkata, set up in 1801. Manpower strength of the organisation as on 01.07.2005 is about 1.2 lac.

The organisation is primarily engaged in manufacture of Arms, Ammunitions, Equipment, Armoured Vehicles & Personnel Carriers, Transport Vehicles, Clothings and General Stores items. After meeting the primary requirement of the Armed Forces, spare capacities are utilized for supply to non-defence sector and exports. The factories commissioned before Independence (1947) had capacities created not only for production of finished stores required by the Armed Forces, but also had backward integrated in-house facilities for supply of basic and intermediate materials, like steel and other metallic alloys, acid and other chemicals, low and high explosives etc., for which indigenous industrial infrastructure in the civil sector was inadequate. In respect of the factories set up after Independence, and with gradual emergence and development of civil

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industrial infrastructure with public and private sector, the concept of backward integration was progressively given up and the emphasis shifted from production of basic intermediate inputs to production of finished stores by drawing upon supplies from the civil sector for raw materials, components and semi-finished goods.

The structure and the management of the organisation has undergone change in 1979. The Ordnance Factory Board was formed with Director General as Chairman and 9 (nine) Members in the rank of Addl. Director General.

At present, Ordnance Factories are divided into 5 (five) Operating Groups/ Divisions, depending upon the type of the main products/ technologies employed. They are:

- i) Ammunition & Explosives
- ii) Weapons, Vehicles and Equipment
- iii) Materials and Components
- iv) Armoured Vehicles
- v) Ordnance Equipment.

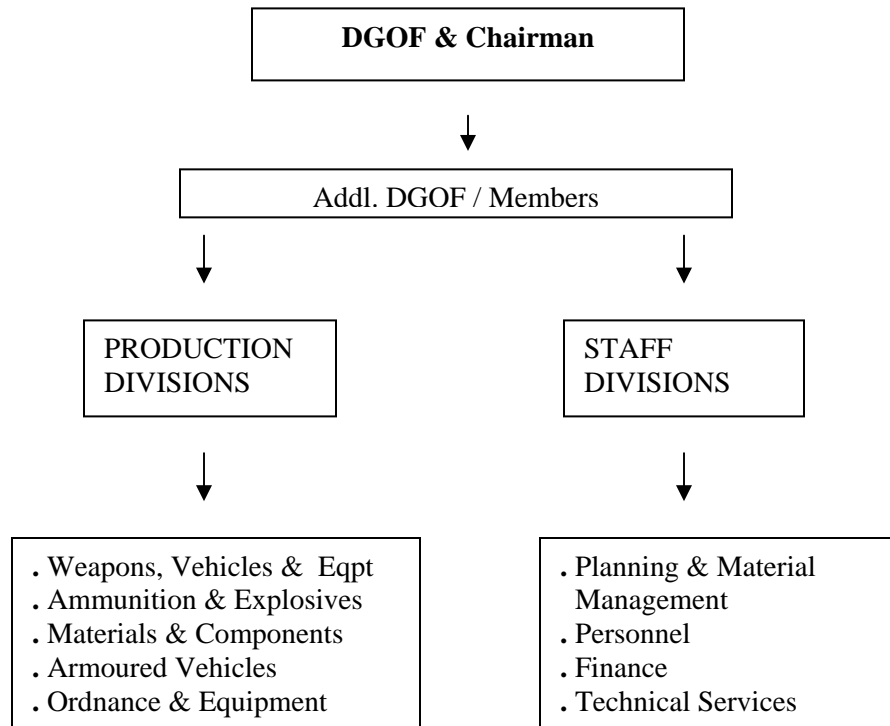
Each of the above group of factories is headed by a Member/ Addl. Director General. Armoured Vehicle Division and Ordnance Equipment Division have their headquarters at Avadi (near Chennai, Tamil Nadu) and Kanpur (Uttar Pradesh) respectively. 3 (three) Members in charge of Ammunitions, Weapons and Materials manufacture have their headquarters at Kolkata, West Bengal. The 4 (four) remaining Members are responsible for Staff functions, viz Planning & Material Management, Personnel, Finance, Projects & Engineering and Technical Services and they also have their office(s) in Kolkata, West Bengal.

Special/ extended Board at Ordnance Factory Board provides for representation of Master General of Ordnance (MGO) and Director General of Quality Assurance

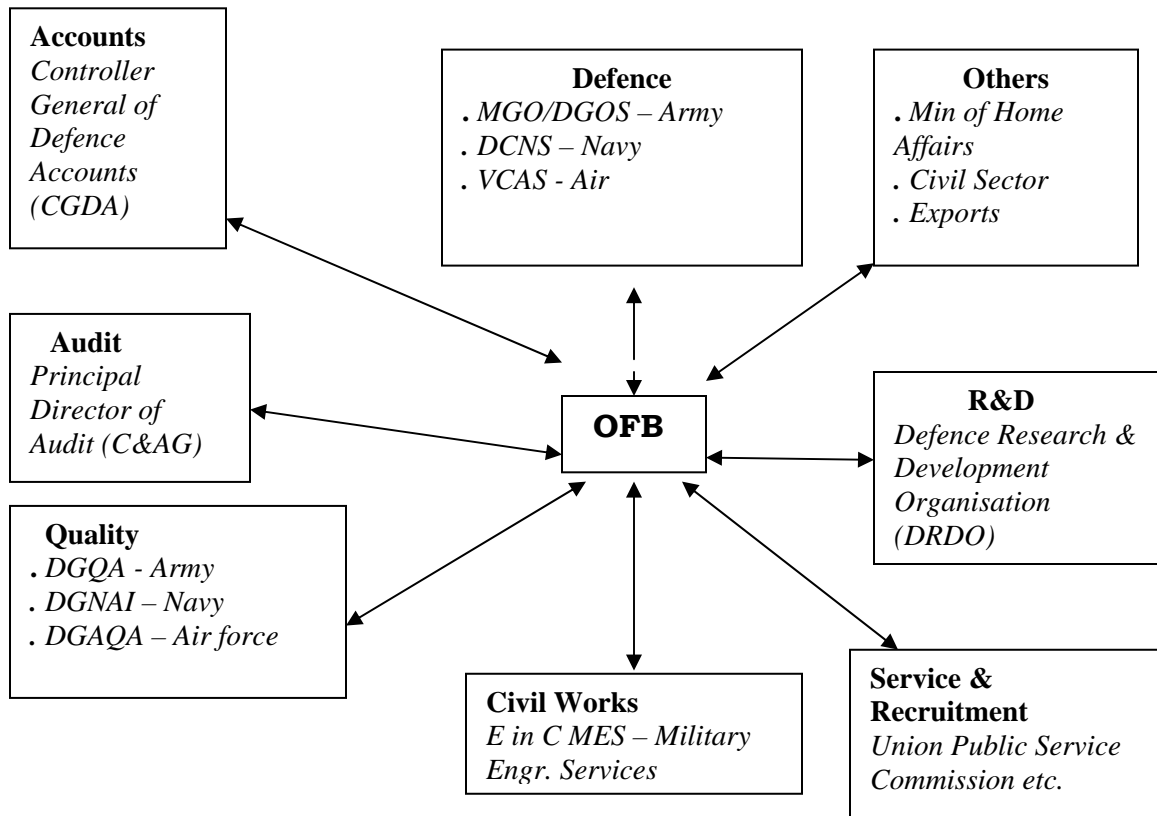
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(DGQA), to represent the users and their interest on quality aspects. The Special Board also has representation from the Ministry of Defence as well as DRDO. Joint Secretary (Ordnance Factories), Addl. Financial Advisor from the Defence (Finance) and the Chief Controller of Research & Development (CCR&D) participate in the Special Board meetings held periodically to provide appropriate inputs and perspectives for planning resources, upgrading technology demanded by products and processes and on various other related issues necessary for the efficient functioning of OFB.

The pictorial presentation of Organisation Structure and the linkages with External Agencies are as follows:



EXTERNAL FUNCTIONAL LINKAGES



Main functions at the Head Quarters are as follows:

- Receiving of Orders from various indentors.
- Fixation of Annual Targets by mutual agreement in meeting.
- Conversion of Orders to Extracts for the factories, the production units.
- Distribution of targets to factories.
- Getting required Budget from Govt. on various heads.
- Allotment of Budget to factories.

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- Monitoring production and issues, expenditure of allotted budgets by the factories and allied matters like administration, material management, engineering, quality, HRD, R&D, security, safety, welfare etc.
- Reporting achievements to Ministry, Indentors, Quality Assurance establishments etc.
- Replying to queries of Parliament, Standing Committee, Audit etc.

Main goal of the factories are to supply the indented products in right quantity and quality at right time. To achieve that the major activities are production, purchase of input materials and their storage and drawal, purchase of new plant & machineries and maintenance of existing ones, quality assurance of finished store as well as at stage/ inter-stages of production, supply of accepted stores and disposal/ conversion of waste, obsolete and unserviceable stores. Other major supporting activities are recruitment, transfer, promotion, training and vigilance of employees, security & safety of the factory and its belongings, welfare etc. Maintenance of estate, accommodation, school, canteen, hospital, club, bank etc. are the major welfare activities. Other activities include interaction with customers for getting feedback about supplied products as well as their new requirements, assimilation of technology for the requirement of upgraded/ new products by importation of technology or using technology of DRDO or develop the product by in-house R&D.
