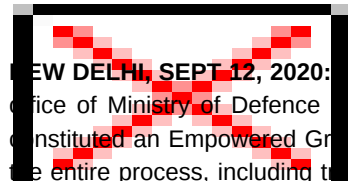


## Corporatisation of OFB: Govt constitutes Empowered GoM

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### By TIOL News Service



**NEW DELHI, SEPT 12, 2020:** CONSEQUENT to the decision of the Government to convert Ordnance Factory Board (OFB), a subordinate office of Ministry of Defence (MoD) into one or more than one 100 per cent Government owned corporate entities, the Government has constituted an Empowered Group of Ministers (EGoM), under the Chairmanship of Raksha Mantri Shri Rajnath Singh, to oversee and guide the entire process, including transition support and redeployment plan of employees while safeguarding their wages and retirement benefits. Other ministers in the EGoM are Home Minister Shri Amit Shah, Finance Minister Smt Nirmala Sitharaman, Minister for Law & justice Shri Ravi Shankar Prasad, Minister of State for Labour & Employment Shri Santosh Kumar Gangwar and Minister of State for Personnel, Public Grievance & Pension Dr Jitendra Singh.

The Terms of Reference (ToR) of the EGoM inter alia include:

- (1) Decision on conversion of OFB into a single Defence Public Sector Undertaking (DPSU) or as multiple DPSUs;
- (2) Matters related to various categories of employees including protection of their salary and pension of existing employees;
- (3) Financial support that may be provided to the entity/entities to make them economically viable and self-reliant;
- (4) Grandfathering of orders already being executed by OFB or for which facilities created in OFB;
- (5) Treatment for land assets of OFB.

The composition of EGoM along with ToRs have been communicated to the OFB and various Federations, Unions and Associations at Board/Factory/Unit level and they have been requested to place all their suggestions, issues and concerns relating to corporatisation of OFB before the EGoM.

The Department has also selected M/s KPMG Advisory Services Pvt. Ltd. (Lead Consortium Member) with M/s Khaitan & Co. Ltd. as another Consortium Member, as the Consultancy Agency for providing strategic and implementation management consulting services to assist the Department of Defence Production in the process of corporatisation of the OFB.

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