

**MINISTRY OF DEFENCE
DEPARTMENT OF DEFENCE PRODUCTION
MANAGEMENT AND POLICY DIVISION**

**Defence Office Complex,
Room No. 604, C-Block,
KG Marg, New Delhi**

Sub: Calling of option of absorption of employees of erstwhile OFB in 07 new DPSUs.

1. Introduction:

1.1 The Cabinet in its meeting held on 16.06.2021 approved to convert Ordnance Factory Board (OFB) into 07 new Defence Public Sector Undertakings (DPSUs). Accordingly, the employees were transferred en-masse to the new DPSUs (on deemed deputation) as per extant rules i.e. Rule 37-A of the Central Civil Services (Pension) Rules 1972 (now Rule 37 of CCS Pension Rules 2021) and to the newly formed Directorate {Directorate of Ordnance (Coordination & Services)} under DDP w.e.f. 01.10.2021 initially for 02 years, which has been extended further with the approval of EGoM.

1.2 DDP vide OM No. 1(5)/2026/EGoM/Absorption/OF/DP(M&P) dated 15.06.2026 has conveyed the following approval of EGoM taken in its meeting dated 11.06.2026:

- a) Common absorption package prepared by 07 new DPSUs to be offered to all employees (other than OF Schools and OF Hospitals) of erstwhile OFB.
- b) All the employees of erstwhile Ordnance Factory Board (OFB) [other than O.F. Schools & O.F. Hospitals] including employees on deemed deputation to other Ministries/Departments shall be asked to exercise their option of absorption in 07 new DPSU(s).
- c) Extension of transfer of all the employees of erstwhile OFB en masse to the 07 new DPSUs on terms of foreign service without any deputation allowance (deemed deputation) till retirement in respect of all those employees who do not opt for absorption in new DPSUs. Till such time the employees remain on deemed deputation to the new DPSUs, they shall continue to be subject to all the extant rules, regulations and orders as are applicable to the Central Government servants, including related to their pay scales, allowances, leave, medical facilities, career progression and other service conditions.
- d) Similar extension of transfer of all the employees of Directorate of Ordnance (Coordination & Services) till retirement in respect of all those employees who do not opt for absorption in new DPSUs.

1.3 Rule 37 of CCS (Pension) Rules, 2021 stipulates that:

Sub Rule (2) – *“The public sector undertaking shall frame its rules and regulations within a time frame not exceeding five years.*

After such rules and regulations are framed by the public sector undertaking, all Government servants on deemed deputation shall be asked, within a period not exceeding three months from the date of notification of the rules and regulations by the public sector undertaking, to exercise their option to revert back to the Government or to seek permanent absorption in the public sector undertaking.

Such Government servants shall be asked to exercise this option within a period of three months from the date of the communication asking the Government servants to exercise the option.”

Sub Rule (4) – *“In case, a Government servant does not exercise any option within the prescribed time limit, shall be deemed to have opted for permanent absorption in the public sector undertaking.”*

1.4 Accordingly, the 07 new DPSUs have prepared the Common Absorption Package, which has been approved by EGoM on **11.06.2026**. The approved Common Absorption Package (**Annexure – I**) for exercising option for absorption in 07 new DPSUs by employees of erstwhile OFB (other than OF Schools & OF Hospitals) will be uploaded on the intranet of erstwhile OFB i.e. COMNET 2.0 for information of all employees. The aforesaid Common Absorption Package on COMNET 2.0 shall be adequate for the purpose of notice.

2. **Applicable Timelines as per Rule-37 of CCS (Pension) Rules, 2021 for exercising of option of permanent absorption in any of the 07 new DPSUs by employees of erstwhile OFB are as under:**

S. No.	Provision	Timeline
(1)	Notification of Rules and Regulations (Common Absorption Package) by each of the 07 new DPSUs.	01.07.2026
(2)	Seeking option from all the employees of erstwhile OFB (other than O.F. Schools & O.F. Hospitals) including employees on deputation/lien to other Ministries/Department for absorption in 7 new DPSUs.	16.07.2026
(3)	Last date for exercising option including submission of ink signed copies to seek permanent absorption in any of the 07 new DPSUs or to continue in Government service.	15.10.2026 (by 1700 hrs)

3. **Applicability of option for absorption:**

The option for absorption in 07 new DPSUs is called from all the employees of erstwhile OFB (excluding employees of OF Hospitals & OF Schools) i.e.

- All the employees on deemed deputation in 07 new DPSUs.
- All employees on deputation/lien to other Ministries/Departments including those on central deputation/non-CSS deputation etc.
- All other employees on the strength of DoO(C&S) & not listed in (a) & (b) above (excluding employees of OF Schools & OF Hospitals).

Note: *The employees of OF Schools & OF Hospitals means those employees who are recruited & working solely for functioning of OF schools [i.e. Principal-I/II, PGT, TGT, HMP, PRT, LA] or OF Hospitals [i.e. all IOFHS officers, Nursing Staff, Paramedical Staff & Family Welfare Staff & MTS]*

Any other employees presently posted in OF Schools and OF Hospitals shall not be treated as employees of OF Schools and OF Hospitals.

4. **Dashboard for information & exercise of option:**

A dedicated portal has been developed on intranet i.e. COMNET 2.0 for the purpose of exercise of option by employees for permanent absorption in 07 new DPSUs or to continue in Government service. All the details related to the exercise of absorption will be available on this portal. For any issue that may arise in accessing the portal, employee may contact Sh. Tausif Ahmad, DD/TS, DoO(C&S) Kolkata on email id : tausifahmad@ord.gov.in, phone no. 033-22314323 and Sh. Kalyan Haldar, JWM(SG) DoO(C&S) Kolkata on email id : kalyanhaldar@ord.gov.in, phone no. 033-22483254 (Extn-687).

5. **Communication of Common Absorption Package & Option Form to the employees:**

- Common Absorption Package will be notified by each of the 07 new DPSUs on Dashboard.
- Simultaneous communication of offer of option of Common Absorption Package by each of the 07 new DPSUs to all the employees in the following manner:

- **Employees on deemed deputation to new DPSUs:** Option Form to be communicated by Director (HR) of 07 new DPSUs to the employees presently on deemed deputation to that new DPSU. Gr A & B (Gazetted) employees shall also have the option to opt for permanent absorption in remaining 06 DPSUs.
- **Employees on the strength of DoO (C&S):** Option Form to the employees on the strength of DoO(C&S) to be communicated by new DPSUs through DGO, DoO (C&S), Kolkata.
- **Employees on Deputation/Lien to other Ministries/Departments:** Option Form to the employees on deputation/lien to other Ministries/Departments etc to be communicated by new DPSUs in following manner i.e.
 - for Group A employees through DDG/ Group 'A' Division, DoO(C&S), New Delhi.
 - for Group B & Group C employees through DGO, DoO(C&S) Kolkata.

6. **Options available to the employees:**

a) **Group A & Group B (Gazetted) Employees:**

- (i) To opt for permanent absorption in any of the 07 new DPSUs, in order of preference.

OR

- (ii) To continue in Government Service.

In case an employee opts for absorption, it is necessary that the employee shall choose the name of new DPSUs in the order of preference given in the option form. It may be noted that it is mandatory to give at least one preference. If an employee does not want to give any preference of a particular DPSU, he/she should clearly choose NO in the order of preference.

Group A employees in SAG (Level-14) & above in CDA Pay Scale are allowed to give preference for absorption only in E-9 Level of IDA Pay Scale available in Schedule 'A' new DPSUs namely, AVNL, AWEIL, MIL & YIL.

b) **Group B (Non-Gazetted) & Group C Employees:**

- (i) To opt for permanent absorption in a new DPSU as per following:

- a. The employees currently posted on deemed deputation in 7 new DPSUs (excluding the employees mentioned in para (i) c below) shall opt for absorption only in that new DPSU.
- b. The employees currently posted in DoO(C&S) (excluding the employees mentioned in para (i) c below) shall opt for absorption only in that DPSU where he/she was posted prior to posting in DoO (C&S).
- c. The employees exclusively recruited against headquarter posts of Erstwhile OFB, irrespective of the present place of posting shall opt for any one of the 07 new DPSUs.

OR

- (ii) To continue in Government Service.

7. **Manner of submission of option form by the employees:**

- a) **Employees on deemed deputation to 07 new DPSUs & employees on the strength of DoO(C&S):** Employees on deemed deputation to 07 new DPSUs & employees on the strength of DoO(C&S) shall exercise their option through a dedicated portal on COMNET 2.0 and submit three (03) blue ink-signed copies of the computer generated Option Form from COMNET 2.0 to be countersigned from their respective Controlling Officer* for onward submission to designated Nodal Officer of the concerned unit.

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b) **Employees on deputation/lien:** For employees on deputation/lien to other Ministries/Departments etc.; a soft copy of Option Form shall be sent through Email by Gr. A Division for Gr. A employees, for Gr. B & Gr. C employees by DoO(C&S) Kolkata. The employees shall submit the duly filled option form in the following manner:

- Group A employees shall fill the hard copy of the Option Form, obtain countersignature of their respective Controlling Officer* and submit a scanned copy of the ink-signed option form on email: ofgrpa@ord.gov.in. He/She shall also send 03 blue ink-signed copies to DDG, Group 'A' Division, DoO(C&S), New Delhi by Post.
- Group B employees shall fill the hard copy of the Option Form, obtain countersignature of their respective Controlling Officer* and submit a scanned copy of the ink-signed option form on email: ofgrpb@ord.gov.in. He/She shall also send 03 blue ink-signed copies to DDG/GB, DoO(C&S), Kolkata by Post.
- Group C employees shall fill the hard copy of the Option Form, obtain countersignature of their respective Controlling Officer* and submit a scanned copy of the ink-signed option form on email: ofgrpc@ord.gov.in. He/She shall also send 03 blue ink-signed copies to DDG/NII&D, DoO(C&S), Kolkata by Post.

Controlling Officer - Controlling Officer shall be an officer not below Group A in the reporting channel of the employee concerned.*

8. Central Committee:

A Central Committee of the 07 new DPSUs has been constituted by DDP for coordinating simultaneous offer of Common Absorption Package by 07 new DPSUs to all the employees, as notified by 07 new DPSUs. The Central Committee shall coordinate with DGO, DoO(C&S) for allocation of new DPSU against the options exercised by the employees opting for permanent absorption & for submitting the final list of allocation of absorbed employees to Management & Policy Division in DDP, MoD for final notification by the Administrative Ministry. Detailed Roles and Responsibilities of the Central Committee has been notified separately by the DDP vide OM No. 1(5)/2023/OF/Absorption/DP(M&P) Pt.II Vol. II dated 18.06.2026.

9. The option once submitted shall be final and will not be allowed to be changed or withdrawn by the concerned employee at a later stage.

10. Deemed Permanent Absorption:

As per Rule-37(4) of CCS (Pension) Rules, 2021, in case, a Government servant does not exercise any option within the prescribed time limit, he/she shall be **deemed to have opted for permanent absorption** in the public sector undertaking. The DGO, DoO(C&S) in coordination with Central Committee will accordingly allocate him/her any one DPSU based on the Objective Allocation Criteria.

Therefore, all employees are mandatorily required to exercise their option through the Option Form clearly indicating permanent absorption in any of the 07 new DPSUs or to continue in Government service.

11. Date of Absorption:

As per Rule-37(5) of Central Civil Services (Pension) Rules 2021 & Rule-15(3) of Central Civil Services (Implementation of National Pension System) Rules, 2021, the permanent absorption of the Government servants as employee of the new DPSU shall take effect from the date on which their option is accepted by the Government and through notification issued by Department of Defence Production. On and from the date of such acceptance, such employees shall cease to be Government servants and they shall be deemed to have retired from Government service.

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12. **Nodal Officers:**

A Nodal Officer has been nominated for each unit/factory/HQ by the respective new DPSU/DoO(C&S) who will receive the Option Form counter-signed by Controlling Officer of the employee, endorse it in his/her service book and act as PROPER CHANNEL for forwarding the Option Form to the Nodal Head of the respective DPSU/DoO(C&S). Detailed Roles and Responsibilities of the Nodal Officer & Nodal Head has been notified separately by the DDP vide OM No. 1(5)/2023/OF/Absorption/DP(M&P) Pt.II Vol. II dated 18.06.2026. The list of unit-wise Nodal Officers is attached as **(Annexure – II)**.

13. Detailed FAQs regarding the exercise of option by employees shall be uploaded on COMNET 2.0.

14. Any difficulty in interpreting any clause of General Terms and Conditions (Common Absorption Package) enclosed with this letter would be deliberated upon by the DGO, DoO(C&S) in coordination with Central Committee and DGO, DoO(C&S) will take the final decision in consultation with DDP.

15. All concerned will take action in this matter expeditiously so that the absorption process is completed within prescribed timelines. A compliance report by Central Committee in this regard shall be submitted to DDP on regular basis.

16. This issues with the approval of Competent Authority.

Akhilish K.
25/06/2026

(Akhilish K. Mishra)

Deputy Director General(M&P)

Tele.: 23073504

Encls. : As above

To,

1. DGO, DoO(C&S), Kolkata
2. CMD of AVNL, AWEIL, GIL, IOL, MIL, TCL & YIL
3. DDG, Group A Division, DoO(C&S), New Delhi
4. Director (HR) of MIL, AWEIL, AVNL, YIL, IOL, GIL & TCL
5. Secretariat, Central Committee of 07 new DPSUs.
6. DDG/IT, DoO(C&S), Kolkata: For uploading on COMNET 2.0

MOD ID No. 1(5)/2023/OF/Absorption/DP(M&P) Pt.II Vol. II dated 25.06.2026

Copy to:

1. Secretary, Ministry of Home Affairs
2. Secretary, Ministry of Labour and Employment
3. Secretary, Department of Defence
4. Secretary, Department of Expenditure
5. Secretary, Department of Economic Affairs
6. Secretary, Department of Personnel and Training
7. Secretary, Department of Legal Affairs

Copy for information to:

1. PS to Hon'ble RM
2. PS to Hon'ble RRM
3. Sr. PPS to Sec (DP)
4. PPS to JS(LS)