

Government Owned Contractor Operated (GOCO) Model

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Context: The Army has initiated the process of identifying potential industry partners to implement the Government Owned Contractor Operated (GOCO) model for its base workshops and ordnance depots intended to improve operational efficiency.

- Under the proposed Government-Owned Contractor-Operated (GOCO) model, private contractors were to operate the army's base workshops that repair and overhaul equipment from guns and vehicles to tanks and helicopters.
- The GOCO model was one of the recommendations of the Lt. Gen. DB Shekatkar (Retd.) committee to "enhance combat capability and re-balancing defence expenditure."
- Based on the recommendations, the government has "decided to disband two advance base workshops, one static workshop and four ordnance depots" and eight ABWs are recommended to be corporatised on GOCO model.
- The selected Service Provider will take over present infrastructure and related services on "as-it-is-and-where-it-is basis".
- Maintenance of complete infrastructure will be thereafter the responsibility of the service provider.
- The service provider should be an Indian registered company with at least 10 years of working experience in related domains and have an average annual turnover of ₹50 crore for each of the last three financial years.