

F.No.7(1)/E.Coord/2019
Ministry of Finance
Department of Expenditure
E.Coord.

North Block, New Delhi
September 17th, 2019

OFFICE MEMORANDUM

Subject: Lifting of the ban on purchase of new vehicles by Ministries/ Departments

Reference is invited to Para 2.3 of this Department's OM No. 7(1)/E.Coord./2014 dated 29.10.2014 pertaining to economy measures and rationalization of expenditure wherein it stated that "*Purchase of new vehicles to meet the operational requirement of Defence Forces, Central Paramilitary Forces & security related organizations are permitted. Ban on purchase of other vehicles (including staff cars) will continue except against condemnation*". Consequent to the aforesaid condition, all proposals relating to purchase of vehicles by Ministries/Departments other than those against condemnation were being made with the concurrence of the Department of Expenditure.

(2) The matter regarding ban on purchase of vehicles (including staff cars) except against condemnation has been reassessed and examined by this Department.

(3) I am directed to state that the ban on purchase of other vehicles (including staff cars) except against condemnation stands withdrawn with immediate effect. The purchase of new staff cars on requirement basis including against condemnation will continue to be regulated within the ceiling fixed by the Department of Expenditure from time to time. Purchase of vehicles other than staff cars for operational need is also allowed. Ministries/Departments in consultation with their Financial Advisers shall ensure that all purchases of vehicles are made judiciously keeping in mind the principle of 'need' and 'want' and GFR 2017 provisions on procurement are adhered to strictly.



(Thanglemlian)
Director (E.Coord)
Tele: 23093290

To

All Ministries/Departments of Government of India

Copy to:

1. Cabinet Secretary
2. Principal Secretary to the Prime Minister
3. Vice Chairman, NITI Aayog
4. Financial Advisors of All Ministries/Departments