

F.No.16/1/2016-PPD  
Government of India  
Ministry of Finance  
Department of Expenditure  
Procurement Policy Division  
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516, Lok Nayak Bhawan,  
New Delhi.  
Dated:- 24<sup>th</sup> August, 2016.

**OFFICE MEMORANDUM**

Subject: - Recommendation of Expenditure Management Commission (EMC) –  
regarding

The Government of India had constituted EMC in September, 2014 to look into various aspects of Expenditure reforms to be undertaken by the Government. The Committee was headed by Dr. Bimal Jalan, eminent economist and public policy experts.


2. In this context, it is noted that EMC has recommended following related to Public Procurement.

**Recommendation No.89 (December, 2015)**

*"Rule 197(of GFR) describes modes of disposal of surplus and unserviceable goods. Experience shows that in many Departments the disposal of unserviceable goods does not take place as the process is cumbersome. It is learnt that Ministry of Railways uses e-auction for disposal of stores. This system can be used by other Government Departments also for speedy disposal of surplus and unserviceable goods."*

3. In this regard, it is stated that Ministry of Railway vide their letter no 2010/RS (G)/779/10COPP dated 27.07.2016 has agreed to offer its e-auction services to other Ministries.

4. All Ministries/ Departments are requested to consider using e-auction services of Ministry of Railways for speedy disposal of surplus and unserviceable goods. Ministries/Departments may also mutually decide terms and conditions for the same with Ministry of Railways.

  
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