F. No. 16(17)/E.Coord/2025
Government of India
Ministry of Finance
Department of Expenditure

Kartavya Bhavan, New Delhi
Dated: 10th November, 2026

OFFICE MEMORANDUM

Subject: Instructions regarding procurement and hiring of staff cars by Ministries/Departments of the Government of India – Revision of Net Dealer Price (NDP) ceiling and promotion of Electric Vehicles (EVs).

The undersigned is directed to refer to this Department's Office Memorandum No. 18(23)/E.Coord-2021 dated 01.09.2022 on the subject cited above, prescribing the guidelines regarding procurement and hiring of cars by Ministries/Departments of the Government of India.

2. In partial modification of the aforesaid instructions, and with a view to promoting electric mobility, reducing dependence on fossil fuels and taking into account the prevailing market prices and lifecycle costs of vehicles, the following amendments are hereby made:

(i) The NDP ceiling for procurement of staff cars shall henceforth be as under:

Category of vehicle	NDP ceiling
Electric Vehicles (EVs)	₹20,00,000/-
Internal Combustion Engine (ICE) vehicles, including petrol/diesel/hybrid vehicles	₹10,00,000/-

(ii) Going forward, Ministries/Departments shall ordinarily procure Electric Vehicles (EVs) at the time of condemnation/replacement of their existing ICE staff cars. EVs shall be the default and preferred choice for procurement.

(iii) In cases where a Ministry/Department considers that procurement or deployment of EVs is not practical and proposes to procure an ICE vehicle, a proposal, duly justified, shall be referred to the Department of Expenditure for relaxation on a case-by-case basis. Such proposal may be referred with the approval of the Secretary of the Administrative Ministry/Department and concurrence of the Financial Adviser.

(iv) All Ministries/ Departments will continue to adhere to the instructions issued by the Department of Expenditure vide O.M. No. 18(23)/E.Coord-2021 dated 01.09.2022, mandating the hiring of Electric Vehicles.

(v) In cases where hiring of ICE vehicles is considered necessary, a proposal, duly justified, shall be referred to the Department of Expenditure for relaxation on a case-to-case basis, with the approval of the Secretary of the Administrative Ministry/Department and concurrence of the Financial Adviser.

3. All other terms and conditions governing entitlement, procurement and hiring of cars, as prescribed in the aforesaid O.M. dated 01.09.2022 and subsequent instructions, shall remain unchanged. Procurement shall continue to be governed by the provisions of the General Financial Rules (GFR), 2017, as amended from time to time.

4. These instructions shall come into force with immediate effect.

5. This issues with the approval of Secretary (E).

[Avinash K. Nilankar]
Director to the Government of India
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To,

1. All Ministries/Departments of the Government of India.
2. All Financial Advisers of Ministries/Departments.
3. Comptroller and Auditor General of India.
4. Union Public Service Commission
5. NIC, Department of Expenditure – for uploading on the website.