F. No. 42(02)/PF-II/2014
Government of India
Ministry of Finance
Department of Expenditure
Public Finance (Central – I) Division

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North Block, New Delhi, Dated, the 8th of March, 2018

OFFICE MEMORANDUM

Subject: Continuation of Public funded ongoing schemes beyond 12th Five Year Plan: appraisal and approval process – Instructions regarding.

Reference is invited to the Department of Expenditure's O.M. No.42(02)/PF-II/2014 dated 29th December, 2017 *vide* which a further interim extension was granted up to 28th February, 2018 to complete the appraisal and approval process of all major schemes having financial implication of more than Rs.500 crore. Most of the Ministries/Departments have already concluded the process of appraisal/approval and few proposals are in the pipeline to be appraised shortly in the EFC meetings. However, a number of proposals have been received from different Ministries/Departments for further extension of this interim extension pending the completion of the required gamut of appraisal/approval protocols to facilitate release of funds to the States /UTs and to various implementing agencies.

- 2. In view of the practical difficulties in completion of the entire protocols of appraisal and approval including third party independent evaluation and for enabling the Ministries/Departments to facilitate smooth implementation of the schemes to ensure unstinted flow of funds to the vital areas of social and infrastructural sectors, the following instructions are issued:
 - For all ongoing schemes, for which the EFC memorandums are in circulation for inter-ministerial consultations, a further interim extension is granted up to 31st March, 2018 or the date of approval of the competent authority, whichever is later.
 - II. All schemes for which EFC proposals are yet to be circulated for inter-ministerial consultations will be considered on a case to case basis strictly depending on the justification for delay in initiating the appraisal /approval process and on the basis of their merit for their continuation depending on various factors of outputs/outcomes achieved during the 12th Five Year Plan, findings in the third party independent evaluation report and pattern of unspent balances, etc. However, no such proposal will be considered if the same is received after 31st March, 2018.

III. Ministries/Departments may ensure that the financial outlays of their proposals are commensurate with the MTEP limits of their Ministries/Departments and that the schemes are restructured / revised in accordance with the findings of the third party independent evaluator.

IV. It may be noted that during the interim extension of the schemes, the releases must be made strictly in accordance with the scheme guidelines and the furnishing of Utilization Certificates (UCs) as mandated in the GFR 2017 and taking into account the unspent balances.

V. The posts which are created for the schemes shall continue to exist pari passu till the period of extension as the case may be depending on the extent of such extension. During the period of interim extension, no new posts and no new head of revenue expenditure may be created without the express approval of the Ministry of Finance.

3. This issues with the approval of the Finance Minister.

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