Reference is invited to Department of Expenditure’s OM No.42(02)/PF-II/2014 dated 27th March, 2017 wherein an interim extension for a period of six months beyond 31st March, 2017 was granted for all ongoing schemes for their continuation beyond 12th Five Year Plan and it was mandated that the appraisal/approval of all such scheme should be completed within this time limit i.e. before the end of September 2017. Most Ministries/Departments are in an advanced stage of concluding the approval process of their schemes and many have already obtained the approval of the competent authority. However, a number of proposals have been received from various Ministries/Department for further extension of this interim extension pending the completion of the required appraisal/approval procedure. In view of the practical difficulties being faced by the Ministries/Departments for completion of this procedure and for smooth implementation of the ongoing schemes, the following instructions are issued:

I. For schemes where EFCs have already been held and the total project outlay is Rs.1000 crore or less, further interim extension of one month time i.e. up to 31st October, 2017 is granted for completion of the approval of the competent authority.

II. For schemes where the EFCs have been held and the budgetary outlay involved is more than Rs.1000 crore, further interim extension of two months is granted i.e. up to 30th November, 2017 to obtain the approval of the competent authority.

III. For all such schemes with financial implication of more than Rs.500 crore which have either not been sent to the Department of Expenditure so far or where the EFCs have not been held so far, further interim extension is granted up to 31st December, 2017 to complete the appraisal and approval process. No further extension of time will be granted thereafter.
IV. As far as pending SFCs are concerned, the appraisal and approval shall be completed before 31st October, 2017.

V. For EFC / SFC proposals for schemes as referred to at para (III) and (IV) above, the Financial Advisers must prepare a list of such schemes which the Ministry/Department is proposing for continuation beyond the 12th Five Year Plan with timeline for completing the appraisal/approval process with detailed reasons for the inordinate delay in completing the process on time. This information may be sent to the Department of Expenditure by 30th September, 2017.

VI. It may be noted that at the RE stage, the budgetary allocation for such schemes referred to at para (III) and (IV), shall be capped at the BE 2017-18 level and no request for additional outlay in the supplementary will be entertained.

VII. 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 extension. Further, if the ongoing schemes continue after the prescribed appraisal/approval process in the remaining period of the 14th Finance Commission, the Administrative Ministries/Departments are required to refer the proposals for continuation of such posts beyond the date of this interim extension to the Department of Expenditure.

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

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All Secretaries to the Government of India
All Financial Advisers to Ministries / Departments of Government of India
Cabinet Secretariat
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