

F.No.42(02)/PFC-I/2014
Ministry of Finance
Department of Expenditure
PFC-I Division

North Block, New Delhi

Dated: 4th June, 2020

OFFICE MEMORANDUM

Subject: Appraisal and Approval of all Public Funded Schemes / Sub-Schemes - reg.

Reference is invited to DoE OM No.24(35)/PF-II/2012 dated 5-8-2016 vide which financial powers have been delegated for appraising/approving all public funded schemes/projects. In terms of para 4(i) of the OM of even number, for initiating all new schemes/ sub-schemes, 'in-principle' approval will be taken from Department of Expenditure. It may be appreciated that in the wake of COVID-19 pandemic, there is an unprecedented demand on public financial resources, and a need to use resources prudently in accordance with emerging and changing priorities. However, many new proposals for 'in-principle' approval are being received from Ministries/Departments.

2. In view of the circumstances prevailing in the current financial year, the undersigned is directed to convey the following:-

- i) No new proposal for a scheme/ sub-scheme, whether under delegated powers to Administrative Ministry including SFC proposals or through EFC should be initiated this year (FY 2020-21) except the proposals announced under the Pradhan Mantri Gareeb Kalyan Package, Atma Nirbhar Bharat Abhiyan package and any other special package/announcement. 'In-principle' approval for such schemes will not be given in this financial year.
- ii) The initiation of new schemes already appraised/approved in Financial Year 2020-21 under the delegated powers of the Administrative Ministries including SFC proposals (schemes upto Rs. 500 Crore) (exception as mentioned in (i) above), will remain suspended for one year till 31st March, 2021 or till further orders whichever is earlier. This is applicable for those schemes as well, for which 'in-principle' approval has already been given by Department of Expenditure. A list of all such schemes (as per the enclosed proforma) may be sent to DoE by FAs of the Ministries/Departments by 30th June, 2020.
- iii) The continuation of all existing schemes will be governed by the DoE OM No. 42(02)/PF-II/2014 dated 10-01-2020 by which an interim extension for all the ongoing schemes has already been given till 31st March, 2021 or till the date of recommendations of 15th Finance Commission come into effect, whichever is earlier. This is applicable for all the schemes, whether under delegated powers to Administrative Ministries/ Departments, through SFC or through EFC which the Ministry/Department wants to continue without changing their scope, nature, coverage and without creating any additional posts. It has also been reiterated therein that continuation of all schemes would be based on an outcome review based on evaluation. The continuing schemes need to be appraised and approved further for the period of 2021-22 to 2025-26 after 15th Finance Commission recommendations are accepted and resource position of public exchequer is clear. This would also be depend upon the evaluation and the outcome review.

- iv) No funds may be released for schemes which are not in strict conformity to the instructions given above and also in terms of DoE OM No. 24(35)/PF-II/2012 dated 05-08-2016 and No. 42(02)/PF-II/2014 dated 10-01-2020, nor should budgetary provisions be made available by re-appropriation to such schemes.
- v) Any exception to the above guidelines shall require specific approval of the Department of Expenditure.
3. This issues with the approval of Secretary (Expenditure).



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