

**F. No. 42(02)/PF-II/2014**  
**Ministry of Finance**  
**Department of Expenditure**  
**[Public Finance (Central-I)] Division**

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North Block, New Delhi

Dated: 10<sup>th</sup> January, 2020

**OFFICE MEMORANDUM**

**Subject: Continuation /Extension of public funded ongoing schemes:  
Instruction regarding.**

Reference is invited to Department of Expenditure's OM No. 42(02)/PF-II/2014 dated 23<sup>rd</sup> February, 2017 on the guidelines regarding continuation of ongoing schemes (both Centrally Sponsored Schemes and Central Sector Schemes) beyond 14<sup>th</sup> Finance Commission (14<sup>th</sup> FC) period. The above OM, inter alia, stipulated that all schemes have to be made coterminous with the Finance Commission cycle and continuation of the scheme would be based on an outcome review.

2. It is noted that the 14<sup>th</sup> FC period is ending on 31<sup>st</sup> March, 2020 and majority of the schemes have sunset dates coterminous with the same. The date for the final report of the 15<sup>th</sup> Finance Commission (15<sup>th</sup> FC) has now been extended and the period covered by it has changed. The availability of financial resources with the Central Government and the States will be clear only after acceptance of the final report of 15<sup>th</sup> FC. Meanwhile proposals from Ministries/Departments are being received for approval of interim extension/continuation of schemes pending the required appraisal/ approval based on third party evaluation. In order to ensure smooth implementation of ongoing schemes and maintain optimum pace of expenditure, the following instructions are issued:

- I. Pending appraisal/ approval of ongoing schemes of a Ministry / Department, an interim extension beyond 31<sup>st</sup> March, 2020 or the date till which the Schemes are already approved, is given for a period till 31<sup>st</sup> March, 2021 or till the date the recommendations of 15<sup>th</sup> FC come into effect, whichever is earlier. It is applicable for all the Schemes that the Ministry / Department wants to continue without changing their scope,

nature, coverage and without creating additional posts. However, in terms of OM of the Department No. 24(35)/PF-II/2012 dated 5<sup>th</sup> August, 2016, in order to enhance the efficiency and outcomes of public expenditure, Department of Expenditure reserves the right to merge, restructure or drop any scheme, sub-scheme in consultation with the Administrative Department.

- II. For Schemes with financial implications for Financial Year 2020-21, the Financial Advisors may prepare a list of all such schemes which the Ministries/ Departments are proposing for continuation beyond 14<sup>th</sup> FC. This list should be sent to the Department of Expenditure along with the reasons for such continuation and expected output/outcomes thereon. It may be ensured that the spending limit for these schemes should be within the approved allocation of BE 2020-21.
  - III. The approval for continuation of each scheme for the 15<sup>th</sup> FC cycle would be based on an evaluation report and outcome review. Ministries/Departments should ensure that the process of evaluation is completed early so as to ensure its timely submission for appraisal and approval process.
2. This issues with the approval of Secretary (Expenditure).



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