

No.66(13)/PFC-II/2020
Government of India
Ministry of Finance
Department of Expenditure
Public Finance Central-II

North Block, New Delhi
9th September, 2022

OFFICE MEMORANDUM

Subject: Appraisal and approval of Public Funded Scheme and Projects (except matters required to be placed before the Cabinet Committee on Security) - In principle - regarding.

Kind reference is invited to this Department's OM No. 24(35)/PF-II/2012 dated 05.08.2016 vide which detailed guidelines for formulation, appraisal and approval of public funded scheme and projects, except matters required to be placed before the Cabinet Committee on Security were issued to all the Ministries/Departments of Government of India.

2. In the para 4(i) of the ibid OM it has been clearly stated that "no new Scheme or sub-scheme will be initiated without prior 'in-principle' approval of the DoE. This will, however, not apply to the announcements made in the Budget Speech for any given year". However, it has been lately observed that certain Ministries/Departments have appraised/initiated schemes without obtaining prior 'in-principle' approval of DoE. As a result, this Department does not have the relevant information about such schemes run by the Ministries/Departments and cumulative impact of all such proposals cleared by SFC is known to this Ministry only at the RE stage.

3. It is therefore reiterated that Para 4(i) of DoE's OM dated 05.08.2016 may be strictly adhered to while initiating any new scheme/sub-scheme. This Ministry may, in such cases, reduce/stop budgetary support.

4. This issues with the approval of Finance Secretary & Secretary (Expenditure).

H. Jaiswal
09/09/2022

(Hema Jaiswal)
Director, Policy & PFC-II

To,

1. All Secretaries to the Government of India
2. All Financial Advisers to Ministries/Departments of India with a request to ensure that financial outlays for schemes/sub-schemes which have not followed the extant procedure may be stopped and intimation to DoE/Budget Division (DEA) be sent.
3. JS (Budget), D/o Economic Affairs, North Block, New Delhi