

No. RW/NHIII/P/16/78

Dated the 11th November, 1985

Subject: EFC — clarification regarding obtaining the fresh approval of the EFC on-going schemes.

A copy of the O.M. No. 1(1)/PF.II/85 dated the 22nd October, 1985. from the Ministry of Finance, Department of Expenditure (Plan Finance Division) addressed to all Ministries/Departments of the Government of India on the subject mentioned above is circulated herewith for information and guidance.

Encl. to letter No. RW/NHIII/P/16/78 dated the 11th Nov., 1985

No. 1(1)/PF.II/85

Dated the 22nd October, 1985

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF EXPENDITURE
(PLAN FINANCE DIVISION)**

Subject: EFC — clarification regarding obtaining the fresh approval of the EFC on-going schemes.

A doubt has been raised whether the approval of the EFC is required afresh for the on-going schemes to be continued during the Seventh Plan period where the expenditure exceeds more than Rs. 3 crores during the plan period. In this connection attention is invited to para 1.3 of this Department's O.M. No. 1(18)/PF.II/78 dated 2nd April, 1980 (Extract enclosed) wherein it was clarified that in the case of large programmes/schemes which are difficult to break down into identifiable projects continuing from earlier plan period and spilling over to the next plan, the matter is required to be placed afresh before EFC/PIB for consideration. However to obviate any delay in the implementation of the schemes, these may be continued during 1985-86, provided there are no changes in the coverage, scope and terms and conditions of the scheme and they are fully funded and full provision exists in the Budget. In all such cases approval of the EFC for continuance may be obtained within a period of eight weeks.

The Administrative Ministries/Departments are requested to bear in mind the above instructions while dealing with the continuing schemes.

EXTRACTS FROM THE O.M. NO. 1(18)/PF.II/78 OF PLAN FINANCE DIVISION-II OF DEPARTMENT OF EXPENDITURE DATED 2.4.1980.

In the case of large programmes, which are difficult to break down into separate identifiable projects, the total expenditure in a Plan period incurred by the Central and State Governments on a scheme included in Plan, should be regarded as the criterion for deciding whether approval of the EFC/PIB will be necessary. This will also hold good in the case of schemes continuing from earlier Plan periods and spilling over to the next Plan. In the case of specific identifiable schemes/projects, however, the total estimated cost of the scheme/project itself (and not the expenditure in a Plan period) should be got approved by the EFC/PIB.