

F.No. 1(8)/PF-II/81

Dated the 3rd November, 1981

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

To

All Ministries/Departments of the Govt. of India

OFFICE MEMORANDUM

Subject : Expenditure Finance Committee — Revision of limits

The undersigned is directed to refer to this Ministry's Office Memoranda No. F-10 (26)/E (Coord)/75 dated 4.5.1976 and No. F. 3 (1) E (Coord)/76, dt. 15.9.76 and 20.11.1976 on the subject noted above and to state that in the context of over all increase in prices and need for greater delegation of powers, the existing monetary limits beyond which reference to E.F.C. is neccessary have been reviewed. It has been decided to enhance the delegated powers of the Ministries/Departments. The limits beyond which reference to E.F.C. would be necessary, are as follows :-

<i>Items</i>	<i>Existing limits</i>	<i>Revised limit</i>
For non-recurring expenditure	Rs 1 crore	Rs 2 crore
For recurring expenditure	Rs 20 lakhs per annum	Rs 40 lakhs per annum
For Staff cost	Rs 10 lakhs per annum for Plan Schemes and Rs 5 lakhs per annum in other cases.	Rs. 15 lakhs per annum for Plan Schemes and Rs 7.50 lakhs in other cases
Revision of cost estimates.	15% of the original approved cost	20% of the original approved cost
Margins for revision of firmed up cost estimates.	NIL	10% or Rs 40 lakhs whichever is less, for these cases where revised cost or firmed up cost is approved by the E.F.C.

2. The cases which involved investment exceeding Rs 10 crores or where the revised/firmed up cost exceeds Rs 10 crores, would require approval of the PIB and the Cabinet.
3. Ministry of Home Affairs etc. are requested to note the above decisions for processing of cases for submission to the E.F.C.