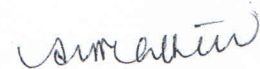


Press Note

Enhanced Financial Powers to Ministries

Government of India has decided to revise the financial limits for appraisal and approval of Non-Plan Schemes/ Projects by competent authorities. As per the revised delegation, the Committee on Non-Plan Expenditure (CNE), which serves as an appraisal forum for all non-plan proposals of Central Government Ministries/Departments, will now appraise proposals involving expenditure of Rs.300 crore and above. The earlier limit for this was Rs.75 crore. Non-plan schemes/projects of less than Rs.300 crore can now be appraised by Ministry / Standing Finance Committee of the Ministry concerned. The financial power of the Minister-in-charge of the administrative Ministry for approval of the Non-Plan schemes/projects has also been enhanced and the schemes/project costing less than Rs.500 crore can now be approved at his/her level. Earlier, the Minister-in-charge could approve projects costing less than Rs.150 crore. Finance Minister shall be competent financial authority for approving scheme/projects having financial implications of Rs.500 crore and above and upto Rs.1000 crore. Proposal having financial limits of Rs.1000 crore and above shall require approval of the Cabinet/Cabinet Committee on Economic Affairs. Concurrently, financial limits regarding appraisal and approval of increase in cost estimates have also been revised. Increase in cost upto 20% of the firmed up cost estimates can now be appraised by the Financial Adviser and approved by Secretary of the administrative Department, if the absolute cost escalation is upto Rs.75 crore, and by the Administrative Minister-in-charge if absolute cost escalation is above this. With this enhancement of financial powers, the financial limits for appraisal and approval of plan and non-plan schemes/projects of Central Government Ministries and Departments have been brought almost at par. This is expected to expedite appraisal and approval process in the Central Government Ministries/Departments.



(Annie George Mathew)

Joint Secretary to the Government of India

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No.1(5)/2016-E.II(A) dated the 28<sup>th</sup> June 2016

1. Press Information Officer, Press Information Bureau – for giving wide publicity to the above Press Note.
2. NIC- with a request to upload this on Ministry's website.