

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4110

ANSWERED ON:20.03.2015

ENHANCING FINANCIAL POWERS OF MINISTERS AND SECRETARIES

Owaisi Shri Asaduddin

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government proposes to enhance financial powers of Ministers and Secretaries for clearing public funded plans, schemes and projects;
- (b) if so, the details thereof and the limit enhanced to Ministers and Secretaries as compared to earlier ones;
- (c) the extent to which the Government is likely to speed up the clearance of projects; and
- (d) the other measures taken/being taken by the Government to speed up clearance of projects which require cabinet node?

Answer

MINISTER OF STATE IN MINISTRY OF FINANCE (SHRI JAYANT SINHA)

(a) The Government of India has already issued orders on 29th August, 2014 for enhanced delegation of powers to the Administrative Ministries/ Departments for appraisal and approval of public funded Plan schemes / Projects.

(b) The enhanced delegation of powers is as follows:

Scheme/Project appraisal Cost (Rs. Cr)	Scheme/Project approval Cost (Rs. Cr)	Appraisal by	Approval by
Upto 100	The Administrative Department	Upto 100	Secretary of the Administrative Department in consultation with Financial Adviser.
100 & up to 500	Standing Finance Committee (SFC)	>100 & up to 500	Minister-in-charge of the Administrative Department.
>500	Expenditure Finance Committee (EFC) / Public Investment Board (PIB)	>500	Minister-in-charge of the Administrative Department
			where special powers have been delegated by the Ministry of departments/ projects/ schemes for which special dispensation has been concerned with the subject, notified by the Competent Authority.
			except where special thresholds have been laid down by the Cabinet / Committee of the Cabinet.

Prior to the issue of the aforementioned enhanced delegation of powers, the Administrative Ministries/Departments (except those notified by the Competent Authority), could appraise projects costing less than Rs. 300 crore. Projects costing Rs. 300 crore and above needed appraisal by EFC/PIB chaired by the Secretary (Expenditure). The Administrative Ministries /Departments could approve Plan projects costing less than Rs. 150 crore with the approval of the Minister-in-charge. Projects costing Rs. 150 crore and less than Rs. 300 crore needed approval of the Administrative Minister and the Finance Minister. Projects costing Rs. 300 crore and above needed approval of the Cabinet/Cabinet Committee.

(c) & (d) The enhanced delegation of powers issued with effect from 29th August, 2014 has resulted in speedy clearance of the projects since the time taken for appraisal / approval of projects has come down.