

For Official Use/IMMEDIATE

**No. 42(02/PF-II/2014  
Government of India  
Ministry of Finance  
Department of Expenditure  
Public Finance (Central-I) Division**

Kartavya Bhawan-01, New Delhi

Dated: 23<sup>rd</sup> March, 2026

**OFFICE MEMORANDUM**

**Subject: Appraisal and Approval of Schemes ending on 31<sup>st</sup> March, 2026 and proposed to be continued in the 16th FC Cycle - Extension of tenure pending completion of Appraisal and Approval - reg**

Reference is invited to this Department's OM No. 01(01)/PFC-II/2025 dated 6<sup>th</sup> June, 2025 whereby Guidelines for Appraisal and Approval of Schemes ending on 31<sup>st</sup> March 2026 and to be continued in the 16th FC Cycle were issued. In the said OM, this Department had, inter alia, requested all Ministries/Departments to send the Appraisal Memos along with the Third Party Evaluation Reports by 31<sup>st</sup> October, 2025 so that approval of the Schemes can be obtained from the competent authority well before 31<sup>st</sup> March 2026.

However, it is seen that so far only a few Ministries/Departments have submitted the Appraisal Notes and got the Schemes appraised by the appropriate forum. Since some of the Ministries/Departments are in the process of revamping and rationalising the Schemes based on Third Party Evaluation, there seems to be a delay in submission of the Appraisal Notes.

Therefore, in the interest of uninterrupted implementation of the on-going Schemes which are ending on 31<sup>st</sup> March 2026, the following instructions are issued:

- i. Wherever the Ministry /Departments are of the view that submission of Appraisal Notes for continuation of an ongoing Scheme in the 16th FC is likely to get delayed, and that the ongoing scheme should be extended temporarily, they may identify such Schemes requiring temporary extension of tenure, in consultation with their Financial Advisors, and submit the list to this Department by 31<sup>st</sup> March 2026, along with the reasons/justification for continuation.**
- ii. All such Schemes will be extended up to 30<sup>th</sup> September 2026 or Date of approval of the scheme for the 16<sup>th</sup> FC cycle by the competent authority, whichever is earlier.
- iii. Such temporary extension of the existing scheme shall have the same scope, structure, nature, coverage, cost norms, and other terms & conditions as was applicable for the 15<sup>th</sup> FC period.

- iv. It may be ensured that the spending limit for the temporarily extended schemes should be within the approved allocation of **QEP-I and QEP-II of BE 2026-27**. Also, the eligible outlay for the new Scheme in the 16<sup>th</sup> FC period shall be reduced proportionately.
- v. Further, with reference to the D.O letter No.01(01)/PFC-II/2025 dated 2<sup>nd</sup> January, 2026 from Secretary (Expenditure) addressed to all Secretaries, this is to reiterate that all Ministries/Departments should undertake a comprehensive exercise for rationalization of schemes through merger/consolidation/restructuring etc. in order to reduce the number of Schemes.

This issues with the approval of Secretary (Expenditure).



**(Ajith Kumar N.)**  
Dy. Director General (PFC-I)

**To,**

- i. All Secretaries to the Government of India
- ii. All Financial Advisers to the Ministries/Departments,

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