वैज्ञानिक तथा औद्योगिक अनुसंधान परिषद् COUNCIL OF SCIENTIFIC & INDUSTRIAL RESEARCH अनुसंधान भवन, 2, रफी मार्ग, नई दिल्ली-110 001 Anusandhan Bhawan, 2, Rafi Marg, New Delhi-110001



No.30-2(67)/2017-IFD Dated 03-08-2017

To

Heads of all National Laboratories/Institutes

Subject: Authority Competent to approve time overrun in respect of Projects where there is no cost overrun.

Sir,

I am directed to enclose a copy of Govt. of India, Ministry of Finance, Department of Expenditure {Public Finance (Central-I)} Division OM No. 24(35)/PF-II/2012 (Pt) dated 05-06-2017 on the above subject for your information, guidance and compliance

Yours faithfully,

(Ajay Kumar) Finance & Accounts Officer

Encl: a/a

Copy to

1. Head, IT Division with the request to make the OM on website.

2. Office copy

F. No. 24(35)/PF-II/2012 (Pt) Government of India Ministry of Finance Department of Expenditure [Public Finance (Central-I)] Division

North Block, New Delhi Dated: 05.06.2017

OFFICE MEMORANDUM

Subject: Authority Competent to approve time overrun in respect of Projects where there is no cost overrun.

Reference is invited to Cabinet Secretariat O.M No. 142/1/2/2017-TS dated 9th May, 2017. requesting for clarification on the above mentioned subject.

- 2. The request is considered. In this regard, the undersigned is directed to convey the following clarifications:
 - (i) All cases of time overrun without cost overrun would be approved by the Secretary of the Administrative Department concerned with the concurrence of the Financial Advisor in accordance with para 9 of DoE O.M. dated 5th August, 2016.
 - (ii) However, the competent authority while approving such instances of projects undergoing time overrun without cost overrun, may consider the following:
 - (a) Time overrun beyond a period of time is not expected to happen without cost overrun due to normal inflation in the economy. Some of the reasons for time overrun without cost overrun could be:
 - Overestimation of the cost at the time of Original Cost Estimates (OCE).
 - Deletion of certain items approved at the OCE stage.
 - Change in scope.
 - (b) In addition to time overrun, viability of the project may be reassessed. There could be change in market scenario in view of which the project may no longer be viable due to change in demand and supply, obsolescence in technology etc.
 - (c) Inordinate delay in project execution may lead to the manpower and technological resources being employed disproportionately at one place hampering the pace of other projects.
 - (d) Competent authority may also examine if the delay is attributable to fault on the part of any persons and fix responsibility as per extant rules and procedure.

This issues with the approval of the Finance Secretary.

Deputy Director (PF-II),

Tele: 23095664

anukukreja.icoas@nic.in

Cabinet Secretariat, [Shri S.G.P. Verghese, Director] Cabinet Secretariat, New Delhi.

Copy to all the Financial Advisers for information and necessary action at their end.

सलाहकार / 0/o FA CS माइल डायरी स./ File Diary No. H. / Letter Dinny