

Government of NCT of Delhi
Finance Department
(Policy Division)

F.3/30/CS/2007/CD-00099812/3802-3809

Date: 12/10/2021

CIRCULAR

Subject: Common Deficiencies in proposals for Expenditure Finance Committee (EFC)

Reference is invited to the following Orders issued by Finance Department from time to time regarding guidelines for preparation of proposals of infrastructure projects and submission to the Expenditure Finance Committee (EFC) for approval:

- i. F:3/30/CS/2007/DS-IV/3051-64 dated 12th July 2011
 - ii. F:PA-DSF(infra)/Misc./2010-11/DSIV/3037-50 dated 12th July 2011
 - iii. F.NO. PA/DSF(Infra)/FD/2011-12/DSIV/3386-3400 dated 25.07.2011
 - iv. F.No. PA/DSF/Misc./2012-13/Exp-4/538-45 dated 17.5.2012
 - v. F.8/2/2007-AC/Finance/ 01295543/ jsfina/1376-1499 dated 14th May,2018
2. Finance Department, while examining the EFC proposals received from departments of GNCTD, has observed that the required details in terms of the above orders and guidelines are not submitted by administrative departments. As a result, approval of the EFC could not be taken on time and projects get delayed resulting in cost and time overrun.
3. Some of the common deficiencies / inadequate information noticed during scrutiny of EFC proposals by Finance Department are as under:

A. New EFC Proposals:

- i. Proper reasons and justification of the proposal like how the need has arisen, what are the alternatives and ultimate objective sought to be achieved through the project.
- ii. Status of statutory clearances whether obtained from concerned agencies viz local bodies (DDA/Municipal Bodies), DUAC, Fire service, Airport Authority, Environmental clearance, Forest Department, UTTIPEC etc.
- iii. Availability of encumbrance free land required for the project.
- iv. Financial Phasing of the project not according to budget provision.
- v. Whether 'Project Monitoring Committee' to monitor the progress of execution of the project, constituted by the administrative department.
- vi. Non availability of specific recommendation of the Administrative Department on the EFC proposal.
- vii. Note for Consideration attached with EFC Memo not signed by the Administrative Secretary.

- viii. EFC documents do not mention the names of officers below the signature.
- ix. Proposal not submitted through Minister-in-Charge of the department.

B. EFC Proposals for Revision of cost

- i. Proposal is not submitted in the original file in which the original sanction was issued.
 - ii. Non submission of proposal within the stipulated time period.
 - iii. Comparative Chart of Original vs Revised cost with reasons for variation component wise
 - iv. Reason for revision in cost due to cost, time and scope over run
 - v. Current status of work (Financial/Physical)
 - vi. Anticipated expenditure (real/notional)
 - vii. Availability of funds and Budget provision
 - viii. Codal formalities being followed for revised/escalated cost.
4. Administrative Departments are requested to ensure to follow the guidelines / orders issued by Finance Department referred at Para 1 above for preparing EFC proposals and avoid the common deficiencies elaborated at Para 3 above.


(Prince Dhawan)
Spl. Secretary (Finance)

- 1. All Addl. Chief Secretaries/Pr. Secretaries/Secretaries/HoDs of Departments of Government of NCT of Delhi.
- 2. Engineer-in-Chief, PWD, Government of NCT of Delhi, New Delhi.
- 3. Controller of Accounts, Pr. Accounts Office, GNCT of Delhi
- 4. Controller of Audit, Directorate of Audit, GNCT of Delhi
- 5. All IFAs, Government of NCT of Delhi, New Delhi.
- 6. All Deputy Secretaries in Finance Department, GNCT of Delhi
- 7. Programmer, Finance Department
- 8. Guard File