

No. 17/4/2015-Fin.
Government of India
Ministry of Power

Shram Shakti Bhawan, Rafi Marg,
New Delhi dated the 27th July, 2015

Office Memorandum

Subject: - Guidelines for grant of in principle approval (IPA) and Appraisal of schemes / Programmes / Projects in NITI AAYOG for 2015-16 – reg.

The undersigned is directed to enclose herewith a copy of the U.O. No. O-14015/02/2015-PAMD dated 29.06.2015 received from NITI AAYOG on the subject mentioned above for information and compliance.


(Rajesh Kumar)

Under Secretary to the Government of India
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1. All JS / Economic Advisor / Director / DS, Ministry of Power, New Delhi.
2. All CMDs of CPSUs.
3. Chairperson, CEA, Sewa Bhawan, R.K. Puram, New Delhi.
4. DG, CPRI / NPTI / BEE
5. Technical Director, NIC with a request to upload it on the Ministry's website.

Government of India
National Institution for Transforming India (NITI) Aayog
(Project Appraisal and Management Division)

Subject: Guidelines for grant of In Principle Approval (IPA) and Appraisal of Schemes/ Programmes/ Projects in NITI Aayog for 2015-16 – regarding.

The 12th Five Year Plan is now in its 4th year of implementation and will conclude in 2016-17. Therefore, it is necessary to ensure that new Schemes/Programmes are not introduced on a stand alone basis without adequate budget provisions in this year and the next year. In the case of projects, since all cost estimates are contingent on timely completion of the project any proposal for a new project needs to be justified in terms of its feasibility and cost, subject to provision of funds for the entry project to be ringfenced and assured until completion.

02. In addition, the Annual Plan discussions that were held with the erstwhile Planning Commission by Ministries/Departments have been discontinued. The annual allocations under Plan are now in accordance with BE 2015-16 for the respective Ministries /Departments.

03. Vide Notification dated 21st March 2015, the Allocation of Business Rules 1961 have been amended to delineate the functions to be performed by NITI Aayog, that, inter alia, includes

“To actively monitor and evaluate the implementation of programmes and initiatives, including the identification of the needed resources so as to strengthen the probability of success and scope of delivery”.

04. In view of the above, the existing guidelines for grant for ‘In-Principle Approval’ (IPA) have been examined de novo. On overall consideration, it is felt that the IPA process as was being followed here to before has lost its relevance. Now, therefore, it is advised that the following procedure be followed for BE 2015-16 in respect of new Schemes/Programmes/Projects, that are sent by Ministries/Departments.

05. Central Sector Schemes/Programmes

- (i) New Central Sector schemes/programmes which have been included in the budget of the respective Ministries/ Departments for 2015-16 with full provision of resources will not require IPA. Such proposals will be taken up for appraisal by the concerned SMD/PAMD, as the case may be, in line with the procedures detailed in these guidelines.
- (ii) New Central Sector schemes/programmes which have been provided only a token provision in the budget for 2015-16 or no provision at all would require, the concerned Ministry/Department to submit the proposal in the prescribed SFC/EFC format indicating *inter alia*:

