

No. 2/13/2015-FRBM  
MINISTRY OF FINANCE  
DEPARTMENT OF ECONOMIC AFFAIRS

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May 17, 2016

In pursuance of the Budget announcement (Para 111 of the Budget Speech, 2016-17), the Government hereby constitutes a Committee to comprehensively review and give recommendations on the FRBM roadmap for future.

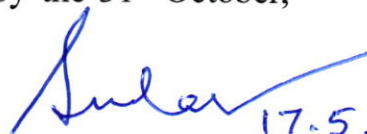
2. The composition of the FRBM Review Committee is as follows :

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|-------|---|----------|
| (i)   | Shri N.K. Singh, IAS (Retd)<br>(Former Revenue and Expenditure<br>Secretary and former Member of<br>Parliament) | Chairman |
| (ii)  | Shri Sumit Bose, IAS (Retd)<br>(former Finance Secretary)   | Member   |
| (iii) | Shri Arvind Subramanian<br>Chief Economic Adviser   | Member   |
| (iv)  | Shri Urijit Patel<br>Deputy Governor, RBI   | Member   |
| (v)   | Shri Rathin Roy<br>Director, NIPFP  | Member   |

3. Terms of Reference (ToR) of the FRBM Review Committee are as under :

- (i) To review the working of the FRBM Act over last 12 years and to suggest the way forward, keeping in view the broad objective of fiscal consolidation and prudence and the changes required in the context of the uncertainty and volatility of the global economy;
- (ii) To look into various aspects, factors, considerations going into determining the FRBM targets;

- (iii) To examine the need and feasibility of having a 'fiscal deficit range' as the target in place of the existing fixed numbers (percentage of GDP) as fiscal deficit target; if so, the specific recommendations of the Committee thereon; and
  - (iv) To examine the need and feasibility of aligning the 'fiscal expansion or contraction' with 'credit contraction or expansion' respectively, in the economy.
4. The Committee will make its assessment and provide its views on the expected impact of its recommendations on the General Government deficit and other FRBM parameters.
  5. The Committee will examine and give recommendations on any other aspect considered relevant in relation to the determination and implementation of the FRBM roadmap.
  6. The Committee may be entrusted with additional ToR, if considered necessary.
  7. The Committee may consult Departments/Agencies of Government, experts and institutions, as considered necessary, and determine its own procedures. The Budget Division of Department of Economic Affairs, Ministry of Finance will provide necessary secretarial and logistics support to the Committee.
  8. Other operational aspects like sitting fees, travel expenses, etc. will be decided and orders issued separately.
  9. The Committee shall submit its report to Government by the 31<sup>st</sup> October, 2016.

  
17.5.16  
(Shaktikanta Das)

Secretary to the Government of India