

## **PRESS NOTE**

The Government had constituted a Committee in May, 2016 to review the Fiscal Responsibility and Budget Management(FRBM) Act under the Chairmanship of Shri N.K. Singh, former Revenue and Expenditure Secretary and former Member of Parliament. The Committee consisted of Dr. Urjit R. Patel, Governor, Reserve Bank of India (RBI), Shri Sumit Bose, former Finance Secretary, Dr. Arvind Subramanian, Chief Economic Adviser and Dr. Rathin Roy, Director, National Institute of Public Finance & Policy (NIPFP) as members.

The Committee had wide ranging Terms of Reference to comprehensively review the existing FRBM Act in the light of contemporary changes, past outcomes, global economic developments, best international practices and to recommend the future fiscal framework and roadmap for the country. Subsequently, the Terms of Reference were enlarged to seek the Committee's views on certain recommendations of the Fourteenth Finance Commission and the Expenditure Management Commission. These primarily related to strengthening the institutional framework on fiscal matters as well as certain issues connected with new capital expenditures in the budget.

The Committee held extensive consultations with a wide range of stakeholders. It also received inputs from eminent national and international organisations and domain experts. The Committee also held interactions with various Ministries of Government of India as well as with the State Governments.

The Committee has presented its Report to the Finance Minister on 23<sup>rd</sup> January, 2017. The Government will examine the Report and take appropriate action.