

(TO BE PUBLISHED IN THE GAZETTE OF INDIA
EXTRAORDINARY, PART I, SECTION I)

**Government of India (Bharat Sarkar),
Ministry of Finance (Vitta Mantralaya)
Department of Expenditure (Vyaya Vibhag)**

New Delhi, the 4th September, 2014.

RESOLUTION

No. 7(2)/E. Coord/2014. - The Government has decided to constitute an Expenditure Management Commission comprising of the following :-

- | | | |
|---------------------------------|---|----------------------------------------------------------------|
| Chairman (Part Time) | - | Dr. Bimal Jalan,
Eminent Economist/
Public Policy Expert |
| Member (Full Time) | - | Shri Sumit Bose
Former Union Finance Secretary |
| Member (Part Time) | - | Dr. Subir Gokarn
Economist/Public Finance Expert |
| Ex-Officio Member | - | Additional Secretary (Expenditure) |
| Member-Secretary
(Full time) | - | (To be notified separately) |

Chairman, Expenditure Management Commission will have the status of Union Cabinet Minister.

2. The Terms of Reference of the Expenditure Management Commission will be as follows:-

- i. Review the major areas of Central Government expenditure, and to suggest ways of creating fiscal space required to meet developmental expenditure needs, without compromising the commitment to fiscal discipline;
- ii. Review the institutional arrangement, including budgeting process and FRBM rules, for enforcing aggregate fiscal discipline and suggest improvements therein;

- iii. Suggest measures to improve allocative efficiencies in the existing expenditure classification system, including focus on capital expenditure;
- iv. Design a framework to improve operational efficiency of expenditures through focus on utilization, targets and outcomes;
- v. Suggest an effective strategy for meeting reasonable proportion of expenditure on services through user charges;
- vi. Suggest measures to achieve reduction in financial costs through better Cash Management System;
- vii. Suggest greater use of IT tools for expenditure management;
- viii. Suggest improved financial reporting systems in terms of accounting, budgeting, etc., and;
- ix. Consider any other relevant issue concerning Public Expenditure Management in Central Government and make suitable recommendations.

3. The Commission will devise its own procedures and may appoint such Advisors, Institutional Consultants and Experts, as necessary, for any particular purpose. It may call for such information and take such evidence as it may consider necessary. Ministries and Departments of the Government of India will furnish such information and documents and render such assistance as may be required by the Commission. The Government of India trusts the State Governments and others concerned will extend to the Commission full cooperation and assistance.

4. The Commission will have its Headquarters in Delhi.

5. The Commission will submit its interim report before the Budget of 2015-16 and its final report before the Budget of 2016-17.

Ratan Phatal
(Ratan P. Watal)

Secretary to the Government of India

ORDER

Ordered that the Resolution be published in the Gazette of India (Extraordinary Part-1 Section-1).

Ordered also that a copy of the Resolution be communicated to the Ministries / Departments of the Government of India, State Governments / Administrations of Union Territories and all others concerned.

Ratan P Watal

(Ratan P Watal)

Secretary to the Government of India