

**MINISTRY OF FINANCE**  
**(Department of Economic Affairs)**

**NOTIFICATION**

New Delhi, the 5th September, 2012

**G.S.R. 670(E).**—In exercise of the powers conferred by section 8 read with sub-section (7) of section 3 of the Fiscal Responsibility and Budget Management Act, 2003 (39 of 2003), the Central Government hereby makes the following rules to amend the Fiscal Responsibility and Budget Management Rules, 2004, namely:—

1. (1) These rules may be called the Fiscal Responsibility and Budget Management (Amendment) Rules, 2012.

(2) They shall come into force on the date of their publication in the Official Gazette:

2. In the Fiscal Responsibility and Budget Management Rules, 2004 (hereinafter referred to as the said rules), for rule 4, the following rule shall be substituted, namely:—

**“4. Medium-term Fiscal Policy Statement, Fiscal Policy Strategy Statement, Macro-economic Framework Statement and Medium-term Expenditure Framework Statement.**—The Central Government shall lay before both the Houses of Parliament, -

(a) the Medium-term Fiscal Policy Statement, the Fiscal Policy Strategy Statement and the Macro-economic Framework Statement along with the annual financial statement and demands for grants in Forms F-1, F-2 and F-3, respectively; and

(b) the Medium-term Expenditure Framework Statement in Form F-4.”

3. In the said rules, after Form F-3, the following Form shall be inserted, namely:—

“Form F- 4

[See rule 4]

**MEDIUM-TERM EXPENDITURE FRAMEWORK**

**A. MEDIUM-TERM EXPENDITURE PROJECTIONS**

(Figures in Rs. Crore)

	Previous Year's Revised Estimates	Current Year's Budget Estimates	Projections for next two years	
	Y-1	Y	Y+1	Y+2
Revenue Expenditure				
1 Salary				

2	Interest				
3	Pension				
4	Subsidies				
	a. Food				
	b. Fertiliser				
	c. Petroleum				
5	Centralised provision for Grants to States				
6	Defence				
7	Postal Deficit				
8	External Affairs				
9	Home Affairs				
10	Tax Administration				
11	Finance				
12	Education				
13	Health				
14	Social Welfare				
15	Agriculture and allied				
16	Commerce and Industry				
17	Urban Development				
18	Rural Development				
19	Development of North East				
20	Planning and Statistics				
21	Scientific Departments				
22	Energy				
23	Transport				
24	IT and Telecom				
25	Union Territories				
26	Others				
<b>Total – Revenue Expenditure</b>					
<i>of which Grants for Capital assets</i>					

	Previous Year's Revised Estimates	Current Year's Budget Estimates	Projections for next two years	
			Y+1	Y+2
<b>Capital Expenditure</b>				
1 Defence				
2 Home Affairs				
3 Finance				
4 Health				
5 Commerce and Industry				
6 Urban Development				
7 Planning and Statistics				

8	Scientific Departments				
9	Energy				
10	Transport				
11	IT and Telecom				
12	Loans to States				
13	Union Territories				
14	Others				
<b>Total – Capital Expenditure</b>					
<b>Total Expenditure</b>					

## B. ASSUMPTIONS UNDERLYING THE MEDIUM TERM EXPENDITURE PROJECTIONS

### 1: Revenue Expenditure

- a. Salaries
- b. Pensions
- c. Interest Payments
- d. Subsidies
- e. Defence
- f. Other Revenue Expenditure and the underlying expenditure priorities

### 2: Grants-in-Aid for capital assets

### 3: Capital Expenditure

- a. Defence
- b. Other Capital Expenditure and the underlying expenditure priorities".

[F. No. 3(1)/2011-FRBM]

RAJAT BHARGAVA, Jt. Secy.