

No. 3/33/2019-FRBM
Government of India
Ministry of Finance
Department of Economic Affairs
(Budget Division)

North Block, New Delhi
October 16, 2019

Medium Term Expenditure Framework Circular 2019-20

1. Background and Introduction

1.1 The Fiscal Responsibility and Budget Management Act, 2003 (Act, henceforth) provides a legislative framework to ensure inter-generational equity in fiscal management and impart long-term macro-economic stability of the country. The Act envisages limiting Central Government borrowing, debts and deficits and aims at increasing transparency in the conduct of fiscal operations of the Central Government. The FRBM framework provides a medium-term perspective for fiscal management by laying out a fiscal road map. It requires the Government to place a medium term fiscal framework laying down the projected fiscal aggregates to meet the fiscal targets as prescribed in the Act/Rules. It also mandates the Government to spell out the strategy that it decides to adopt to meet the projected fiscal plan.

1.2 The Medium Term Fiscal Framework plays a crucial role in laying down the medium term and long term fiscal policy of the Government. It provides a credible roadmap for the intention of the Government to contain the deficit to predefined levels. Since it is a rolling target, it adapts to the changes in overall macroeconomic conditions. An effective medium term fiscal plan is one that is tightly integrated with the budget and one which provides a credible foundation for the upcoming budgets.

1.3 Section 3(1) (d) of the Act, enjoins the Central Government to lay the Medium Term Expenditure Framework (MTEF) Statement before both the houses of

Parliament. It has to be laid before Parliament during the session immediately following the session of Parliament in which the budget has been presented (Section 3 (1B)).

1.4 The FRBM Rules, as amended in 2018, provide a format in which the Government will lay the MTEF Statement (Form F3 under Rule 4 of the FRBM Rules). The format provides estimate of expenditure commitments, which are shown separately for Capital and Revenue expenditure. The Form F3 also includes Demand-wise revenue-capital expenditure and expenditure projections for major schemes and programs of the government. The list of major schemes/programs of the Government, which have been chosen in consultation with the Department of Expenditure, Ministry of Finance are placed at Annexe-I.

1.5 The MTEF is a vertical expansion of the aggregates of the expenditure projections in the fiscal framework presented along with the Annual Financial Statement and the Demand for Grants. The Act envisages that the MTEF Statement shall set forth a three year rolling targets for the prescribed expenditure indicators with the clear indication of underlying assumptions involved (Section 3(6A) (a) of the Act).

1.6 For the preparation of the MTEF Statement, Ministries/Departments are required to asses/review their requirement over the medium term (next two financial years) in respect of expenditure commitments on major policy changes, new schemes/programs, salaries (including Grants-in-Aid for salaries), pensions, interest payments, defence expenditure, major subsidies and other commitments.

2. MTEF Preparation

2.1 The Ministries/Departments shall provide demand-wise projections (along with break up for Object Heads indicated in MTEF module of UBIS), for the two projection years (FY 2020-21 and 2021-22) and Provisional Actuals for the preceding year (FY 2018-19), of total revenue and total capital expenditure on **net basis**. **Ministries/Departments** are required to submit requisite information in respect of **MTEF projections online in the MTEF module of the UBIS developed by NIC for this purpose**. Ministries/Departments are also required to update their Detailed

Demand for Grants for 2019-20 in UBIS. While making the expenditure projections, the Ministries/ Departments may restrict themselves to a normative expenditure growth of 5-7% over the previous year's allocations/projections subject to their actual requirement. While preparing the estimates, care must be taken to first budget for all committed and continuing expenditure. The Ministries/Departments whose schemes/programs **are mentioned in the Annexe- I of this circular are also required to submit year-wise expenditure projections, for the indicated major schemes within the overall expenditure projections of the concerned demand. Scheme-wise Provisional Actuals may also be provided for FY 2018-19.**

2.2 The Ministries/Departments shall give adequate justification for any increase sought in the Budget for any of its schemes/items of new expenditure. In case, where extra-normal increase (>7%) is sought, Ministry/Department is required to indicate extra revenue generation/matching savings to meet the additionality sought. The reasons may be provided in the Remarks column provided in the MTEF Module.

2.3 The Budget Division will work out expenditure projections for each demand and selected schemes/programs (within the overall ceiling of the concerned demand), based on the data filled out by the Ministry/Department in the MTEF Module. It may be mentioned that the expenditure projections worked out by the Budget Division will be co-integrated with the Budget of the Ministry/Department and the Medium Term Fiscal Framework for the whole economy that was presented along with the Union Budget in 2019-20.

2.4 Cut-off date for submitting overall Demand-wise projections shall be 25th October, 2019, and for submitting scheme-wise and Object Head wise projections shall be 5th November, 2019.

3. The URL address for submission of inputs is <http://10.22.86.86/ubis/UBIS/Default.aspx>. The user id and password will be same as used for the purpose of Budget 2019-20. In case of any difficulty/clarification regarding submission of inputs, the concerned Under Secretary/Deputy Director in Budget Division, DEA handling demands of the Ministry/Department may be contacted. In view of time bound nature of work, it is reiterated that,

Ministries/Departments shall strictly adhere to cutoff date for submission of inputs. This circular may also be accessed at the DEA's website (www.dea.gov.in) and MTEF module of UBIS.

4. This issues with the approval of Competent Authority.



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To

1. FAs of all Ministries/Departments , by name
2. Financial Commissioner, Ministry of Railways, by name
3. Chief Controller (Pensions), by name
4. PD (staff), O/o CAG of India, by name

Copy for information to:

1. CGA, CGDA
2. DDG (NIC)
3. All Dir./DS/ABO/US/DDs in Budget Division, DEA
4. PS to JS (Budget)

Annexure -I

S. No.	Name of the Scheme	Name of Demand	Demand No.	BE 2019-20 (₹ crore)
(A)	Core of the Core Schemes			
S. No.	Name of the Scheme			
1.	National Social Assistance Program	Department of Rural Development	84	9,200
2.	Mahatma Gandhi National Rural Employment Guarantee Program	Department of Rural Development	84	60,000
3.	Umbrella Scheme for Development of Scheduled Castes	Department of Social Justice and Empowerment	91	5,445
4.	Umbrella Programme for Development of Scheduled Tribes	Ministry of Tribal Affairs	98	3,810
5.	Umbrella Programme for Development of Minorities	Department of School Education and Literacy	57	1,590
		Ministry of Minority Affairs	68	
6.	Umbrella Programme for Development of Other Vulnerable Groups	Department of Social Justice and Empowerment	91	1,818
(B)	Core Schemes			
7.	Green Revolution	Department of Agriculture, Cooperation and Farmers' Welfare	1	12,561
8.	White Revolution	Department of Animal Husbandry, Dairying	40	2,240
9.	Blue Revolution	Department of Fisheries	39	560
10.	Pradhan Mantri Krishi Sinchai Yojna	Department of Agriculture, Cooperation and Farmers' Welfare	1	9,682
		Department of Land Resources	85	
		Ministry of Water Resources, River Development and Ganga Rejuvenation	60	
11.	Pradhan Mantri Gram Sadak Yojna	Department of Rural Development	84	19,000
12.	Pradhan Mantri Awas Yojna (PMAY)	Ministry of Housing and Urban Affairs	56	25,853
		Department of Rural Development	84	
13.	Jal Jeevan Mission Har Ghar Nal Se Jal (Restructuring/ subsuming NRDWP)	Department of Drinking Water and Sanitation	61	10,001
14.	Swachh Bharat Mission	Ministry of Drinking Water and Sanitation	61	12,644
		Ministry of Housing and Urban Affairs	56	
15.	National Health Mission	Ministry of AYUSH	4	33,651
		Department of Health and Family Welfare	42	
16.	National Education Mission	Department of School Education and Literacy	57	38,547
		Department of Higher Education	58	
17.	National Programme of Mid Day Meal in Schools	Department of School Education and Literacy	57	11,000
18.	Umbrella Integrated Child Development Services (ICDS)	Department of Women and Child Development	99	27,584
19.	Mission for Protection and Empowerment for Women	Department of Women and Child Development	99	1,330
20.	National Livelihood Mission - Ajeevika	Ministry of Housing and Urban Affairs	56	9,774
		Department of Rural Development	84	
21.	Jobs and Skill Development	Ministry of Labour and Employment	62	7,260
		Ministry of Skill Development and Entrepreneurship	90	
22.	Environment, Forestry and Wildlife	Ministry of Environment, Forests and Climate Change	25	886
23.	Urban Rejuvenation Mission: AMRUT and Smart Cities Mission	Ministry of Housing and Urban Affairs	56	13,750
24.	Modernisation of Police Forces	Police	48	3,462
25.	Infrastructure Facilities for Judiciary	Department of Law and Justice	63	720
26.	Border Area Development Programme	Police	48	825
27.	Shyama Prasad Mukherjee Rurban Mission	Department of Rural Development	84	800
28.	Rashtriya Gram Swaraj Abhiyan(RGSA)	Ministry of Panchayati Raj	70	822
29.	Rashtriya Swasthya Bima Yojna	Department of Health and Family Welfare	42	6,556

S. No.	Name of the Scheme	Name of Demand	Demand No.	BE 2019-20 (₹ crore)
(C)	Major Central Sector Schemes			
30.	PM Fasal Bima Yojana	Department of Agriculture, Cooperation and Farmers' Welfare	1	14,000
31.	Interest Subsidy for Short Term Credit to Farmers	Department of Agriculture, Cooperation and Farmers' Welfare	1	18,000
32.	Market Intervention Scheme and Price Support Scheme (MIS-PSS)	Department of Agriculture, Cooperation and Farmers' Welfare	1	3,000
33.	Pradhan Mantri Annadata Aay Sanrakshan Yojna (PM-AASHA)	Department of Agriculture, Cooperation and Farmers' Welfare	1	1,500
34.	Pradhan Mantri Kisan Samman Nidhi	Department of Agriculture, Cooperation and Farmers' Welfare	1	75,000
35.	PM Kisan Maan Dhan Yojana	Department of Agriculture, Cooperation and Farmers' Welfare	1	900
36.	Feedstock	Department of Atomic Energy	3	1,098
37.	R and D Basic Science and Engineering	Department of Atomic Energy	3	1,320
38.	Urea Subsidy	Department of Fertiliser	7	53,629
39.	Nutrient Based Subsidy	Department of Fertiliser	7	26,367
40.	Regional Connectivity Scheme	Ministry of Civil Aviation	8	498
41.	Exploration of Coal and Lignite	Ministry of Coal	9	937
42.	Interest Equalisation Scheme	Department of Commerce	10	2,910
43.	Refund of Central and Integrated GST to Industrial Units in North Eastern Region and Himalayan States	Department for Promotion of Industry and Internal Trade	11	1,700
44.	Postal Operation	Department of Post	12	773
45.	Optical Fibre Cable based network for Defence Services	Department of Telecommunications	13	4,725
46.	Compensation to Service Providers for creation and augmentation of telecom infrastructure	Department of Telecommunications	13	8,350
47.	Price Stabilisation Fund	Department of Consumer Affairs	14	2,000
48.	Assistance to State Agencies for intra-state movement of foodgrains and FPS dealers margin under NFSA	Department of Food and Public Distribution	15	4,102
49.	Food Subsidy to Food Corporation of India under National Food Security Act.	Department of Food and Public Distribution	15	1,51,000
50.	Food Subsidy for Decentralized Procurement of Foodgrains under NFSA	Department of Food and Public Distribution	15	33,000
51.	Scheme for Assistance to Sugar Mills for 2018-19 season	Department of Food and Public Distribution	15	1,000
52.	North East Special Infrastructure Development Scheme (NESIDS)	Ministry of Development of North Eastern Region	22	695
53.	Scheme of North East Council	Ministry of Development of North Eastern Region	22	580
55.	National Investment and Infrastructure Fund (NIIF)	Department of Economic Affairs	27	1,000
56.	Subscription to Share Capital of National Bank for Agricultural and Rural Development (NABARD)	Department of Financial Services	29	1,500
57.	National Animal Disease Control Program for Foot and Mouth Disease (FMD) and Brucellosis	Department of Animal Husbandry, Dairying	40	500
58.	Pradhan Mantri Kisan Sampada Yojana	Ministry of Food Processing Industries	41	1,101
59.	National AIDS and STD Control Programme	Department of Health and Family Welfare	42	2,500
60.	Family Welfare Schemes	Department of Health and Family Welfare	42	700
61.	Pardhan Mantri Swasthya Suraksha Yojana	Department of Health and Family Welfare	42	4,000
62.	Relief and Rehabilitation for migrants and repatriates	Ministry of Home Affairs	46	842
63.	Freedom Fighters	Ministry of Home Affairs	46	953
64.	Border Infrastructure and Management	Police	48	2,129
65.	Police Infrastructure	Police	48	4,757
66.	Schemes for Safety of Women	Police	48	891
67.	Metro Projects	Ministry of Housing and Urban Affairs	56	17,714
68.	National Capital Region Transport Corporation	Ministry of Housing and Urban Affairs	56	974
69.	Higher Education Financing Agency (HEFA)	Department of Higher Education	58	2,100
70.	Interest Subsidy and contribution for Guarantee Funds	Department of Higher Education	58	1,900

S. No.	Name of the Scheme	Name of Demand	Demand No.	BE 2019-20 (₹ crore)
71.	Pension Schemes under Ministry of Labour and Employment (EPS,1995 + PMLVMY + PM-SYM)	Ministry of Labour and Employment	62	5,750
72.	Prime Minister Employment Generation Programme (PMEGP)	Ministry of Micro Small and Medium Enterprises	66	2,327
73.	Education Empowerment	Ministry of Minority Affairs	68	2,363
74.	Wind Power	Ministry of New and Renewable Energy	69	920
75.	Solar Power	Ministry of New and Renewable Energy	69	3,005
76.	Green Energy Corridors	Ministry of New and Renewable Energy	69	511
77.	Phulpur Dhamra Haldia Pipeline Project	Ministry of Petroleum and Natural Gas	74	1,552
78.	Direct Benefit Transfer	Ministry of Petroleum and Natural Gas	74	29,500
79.	LPG Connection to Poor Households	Ministry of Petroleum and Natural Gas	74	2,724
80.	PDS Kerosene Subsidy	Ministry of Petroleum and Natural Gas	74	4,058
81.	National Seismic Programme	Ministry of Petroleum and Natural Gas	74	1,623
82.	AIM/SETU	Ministry of Planning	75	303
83.	Deen Dayal Upadhyaya Gram Jyoti Yojna	Ministry of Power	76	4,066
84.	Integrated Power Development Scheme	Ministry of Power	76	5,280
85.	Strengthening of Power Systems	Ministry of Power	76	1,478
86.	Power System Development Fund	Ministry of Power	76	1,035
88.	National Highways Authority of India	Ministry of Road Transport and Highways	83	36,691
89.	Science and Technology Institutional and Human Capacity Building	Department of Science and Technology	86	1,085
90.	Biotechnology Research and Development	Department of Biotechnology	87	1,475
91.	Sagarmala	Ministry of Shipping	89	550
92.	Space Technology	Department of Space	93	8,408
93.	Space Applications	Department of Space	93	1,885
94.	Member of Parliament Local Area Development Scheme (MPLAD)	Ministry of Statistics and Programme Implementation	94	3,960
96.	Procurement of Cotton by Cotton Corporation under Price Support Scheme	Ministry of Textiles	96	2,018
97.	Integrated Development of Tourist Circuits around specific themes (Swadesh Darshan)	Ministry of Tourism	97	1,106
98.	National River Conservation Programme	Department of Water Resources, River Development and Ganga Rejuvenation	60	1,220
99.	Digital India Programme	Ministry of Electronics and Information Technology	24	2,104
100.	National Industrial Corridor Development and Implementation Trust (NICDIT)	Department for Promotion of Industry and Internal Trade	11	850
101.	Exhibition-cum-Convention Centre	Department for Promotion of Industry and Internal Trade	11	500
102.	Amended Technology Upgradation Fund Scheme (ATUFS)	Ministry of Textiles	96	700
103.	Rebate of State & Central Taxes and Levies Scheme (ROSCTL)	Department of Revenue	31	0
104.	MHA Census 2021 and NPR	Ministry of Home Affairs	46	0