

CHAPTER 4

PUBLIC FINANCE

As per the provision of Government of NCT of Delhi Act, 1991, a Consolidated Fund, separate from that of the Government of India had been constituted with effect from December, 1993. All Revenue and Capital Receipts of Delhi Government are credited in to this Fund and all the Govt. expenditure is met out of this Fund.

2. The Expenditure Budget of Government of NCT of Delhi is mainly financed from its own tax revenue, which includes revenue collection from GST, VAT Excise, Stamp Duty and Motor Vehicle Tax. In addition, there is non-tax revenue and transfers from government of India in the form of loan and grant under various items. It is important to highlight here that around 68% of total Tax Revenue in 2020-21 came from GST & VAT, 14% from Excise, 12% from Stamp Duty and 6% from MVT.
3. Besides the tax revenue, there are transfers of Grants-in-Aid / Other receipts from the Centre, which mainly includes (i) Grant in lieu of Share in Central Taxes and duties, (ii) Compensation for implementation of GST (iii) Grant in aid for Centrally Sponsored Schemes (iv) Normal Central Assistance (v) contribution to Union Territory Disaster Response Fund (vi) Loan for Externally Aided Project - WTP at Chandrawal (vii) Enhanced compensation to 1984 riot victims (viii) Relief to Jammu and Kashmir Migrants.
4. Similarly, Delhi Government's Capital Receipts mainly cover recovery of loans and advances from Local Bodies/Undertakings/Government Servants etc. and Small Savings Loan from National Small Savings Fund (NSSF) and Loan in lieu of GST Compensation shortfall from the Government of India.
5. The expenditure out of the Consolidated Fund of Delhi is broadly maintained under the Heads of Establishment and Scheme /Programme /Projects including Centrally Sponsored Scheme (CSS). Further, both Establishment and Scheme /Programme /Projects expenditure is maintained under the Heads of Revenue and Capital Account. The classification of expenditure into Plan and Non Plan was removed from financial year 2017-18 and now there is only Revenue and Capital Classification.
6. The Establishment Revenue expenditure of Delhi Government mainly covers the items like salary and office expenses, interest payment to Government of India, devolution of funds to Local Bodies, Grant-in-Aid to various Public Sector Enterprises (PSEs)/ Institutions, Subsidies, if any, being provided by the Government to defray the cost of some items/ services under Revenue Establishment head etc. On the other hand, the Establishment Capital expenditure of the Delhi Government covers the repayment of loan to the Government of India, loans/advances to the Local Bodies/Government Servants, Public Sector Enterprises etc.

7. The Revenue Expenditure under scheme /programme /projects mainly covers cost of equipment's, grant-in-aid, reimbursement of Service charges etc. On the other hand, the Capital expenditure under scheme /programme /projects covers the Capital Outlay for various infrastructure projects being implemented by the Government Departments including Equity capital to the Public Sector Enterprises etc. and loans & advances being provided for remunerative schemes/projects of Local Bodies/PSEs, etc.
8. Delhi Legislative Assembly passed the State Goods and Services Act on 31st May 2017 and thus GST rolled out in Delhi w.e.f. 01-07-2017. As a result, erstwhile VAT (excluding items like petroleum, liquor etc) & other taxes viz. Entertainment tax, Luxury Tax and Cable TV tax subsumed in GST. Trade & Tax Department, GNCTD made all efforts for smooth migration of all existing VAT dealers in new regime of Goods & Services Tax. Dissemination of related information through printed brochures, deployment of Sahayata Vahans, one to one contact, organizing camps in major markets, setting up of GST support committees in markets etc were such important steps taken by the Trade & Tax Department.
9. Tax Collection of Delhi Government registered a negative growth of 19.53% during 2020-21(Prov.) as compared to the negative growth of 0.16% in 2019-20. The decline in Tax Revenue collection during 2020-21 (Prov) is due to COVID-19 Pandemic. All components of Tax revenue were sharply declined. Motor Vehicles Tax has shown a negative growth of 13.96 %. GST (including VAT and other taxes of Luxury and Entertainment etc.) recorded a negative growth of 19.46%. Tax collections under State Excise recorded a negative growth of 18.94%. Stamps and Registration Tax (including land revenue) recorded the highest negative growth of 22.91% in 2020-21(Prov.). The tax collection for the year 2021-22 is budgeted with a growth of 46.13% over the previous year.
10. Delhi Government has received Small Saving Loan of ₹ 9500 crore during 2020-21(Prov.) as against ₹ 4540.60 crore in 2019-20.
11. Like earlier Central Finance Commissions, Delhi has not yet been covered under the Term of reference of Fifteenth Central Finance Commission (15thCFC) whose term covers the period from 2020-21 to 2025-26. Thus, the dispensations to be recommended by the Fifteenth Central Finance Commission to the States which include Share in Central Taxes, Grants-in-aid for Local Bodies, Revenue Deficit grants, Sectoral grants, grants for Calamity Relief etc may not cover Delhi. On this issue, the Govt. of NCT of Delhi has already requested Govt. of India to take suitable measures to get covered Delhi under the purview of Fifteenth Central Finance Commission. Now, Delhi only gets discretionary grants in lieu of Share in Central Taxes and that too is stagnant at ₹ 325 crore since 2001-02. The Normal Central Assistance to NCT of Delhi during 2000-01 was ₹ 370 crore and after 20 years, it is still remained as ₹ 626 crore in 2021-22 (BE).

12. On the other hand, as per Constitutional requirement, the Government of NCT of Delhi is making devolution of funds to its Local Bodies based on the recommendations of Delhi Finance Commission being set up from time to time. The formula for devolution of funds to Local Bodies in Delhi based on the recommendations of the Third Delhi Finance Commission (Tenure 2006-07 to 2010-11) was extended up to 2015-16. The Delhi Government set up the Fourth DFC and Fifth DFC for the period 2011-12 to 2015-16 and 2016-17 to 2020-21 respectively and both the Commissions submitted their report to the Government of NCT of Delhi. The Govt. of NCT of Delhi vide Cabinet Decisions No 2669 & 2670 dated 01/01/2019 decided to implement the recommendations of 5th DFC for the period 2016-17 to 2020-21 and to continue the devolution of net tax proceeds for the period 2011-12 to 2015-16 as per 3rd DFC in place of 4th DFC as the Govt. has decided not to implement the 4th DFC. It was also decided that the devolution of funds already made for the period 2011-12 to 2015-16 (period of 4th DFC) as per formula of 3rd DFC, to DMCs, Delhi Cantonment Board and New Delhi Municipal Council shall be treated as final and no recoveries shall be made.
13. The Delhi Government has implemented a subsidy scheme at 100 per cent on the existing tariff to the domestic consumers of electricity consuming upto 200 units per month and 50 per cent on existing tariff to the domestic consumers upto 400 units per month with effect from 1st March 2015. Accordingly Government has released an amount of ₹ 2939.99 crore on this account during 2020-21. The Government also implemented a scheme of giving 20KL of free water per month to domestic water consumers in Delhi from March 2015 onwards. Accordingly, Government released an amount of ₹ 600 crore on this account during 2020-21 to Delhi Jal Board for meeting the expenditure on account of giving free water to consumers.
14. Delhi has maintained its consistent Revenue Surplus; although it reduced to ₹ 1449.98 crore during 2020-21 (Prov.) as compared to ₹ 7498.79 crore in 2019-20. The budgeted revenue surplus for 2021-22(BE) is ₹1270.74 crore which is 0.14% of GSDP.
15. The Private Stage Carriage Buses run by individual private operators have been replaced with the scheme for operation of Cluster Buses being operated by corporate entities to provide better transportation services and safety of journey to the commuters of Delhi. According to the scheme, the Government has to meet the viability gap between the cost of operation and revenue earned from such Cluster Bus Scheme. Delhi Government has also to bear the working losses of DTC besides the burden of subsidy for concessional bus passes being operational in both DTC and Cluster buses. Further, the Government has allowed facility of free travel to Women in DTC and Cluster buses since October, 2019. Accordingly, during 2020-21, Government released an amount of ₹ 114.86 crore to DTC and ₹ 102.18 crore to cluster buses for meeting the expenditure on account of giving free travel to Women. Further, the Delhi Government provided

a subsidy of ₹ 78.82 crore to DTC during 2020-21 (Prov.) for concessional passes.

16. Delhi Jal Board (DJB) has succeeded in meeting out its operating expenses from 2010-11. No Assistance was provided to them since 2010-11, however, loan is being provided to DJB by Delhi Government. During 2012-13 to 2015-16, they have maintained revenue surplus. However, it turned into revenue deficit during 2016-17 to 2019-20 and 2021-22 (BE).
17. The Delhi Urban Shelter Improvement Board (DUSIB) was constituted by the Government of NCT of Delhi with effect from 10th July 2010. The DUSIB is looking after the matters relating to notifying slum areas, providing civic amenities to Jhuggie Jhoprie settlements, resettlement of such colonies, etc. During 2020-21, Government of NCT of Delhi provided a Ways and Means loan of ₹ 200 crore for meeting their salary and other administrative expenses.
18. Delhi's outstanding debt at the end of March, 2021 was ₹ 40696.66 crore including the non-plan loan received during 2013-14 from Government of India for meeting the outstanding liabilities of DVB/DESU amount of ₹ 3326.39 crore. Thus, the outstanding debt of Delhi Government constitutes 5.18% of GSDP during 2020-21.
19. The flow of funds received from Govt. of India to GNCTD increased to the tune of ₹ 11458.60 crore in 2020-21 (Prov.) as compared to ₹ 9473.05 crore in 2019-20. Such increase in Grants in 2020-21 is mainly because of receipt of ₹ 3383.00 crore in 2020-21 on account of Reversal of IGST Devolution and Apportionment of IGST. Grants under CSS has also increased from ₹ 1169.48 crore in 2019-20 to ₹ 1441.46 crore in 2020-21. Further, the grants of ₹ 626 crore is received under Normal Central Assistance during 2020-21. However, grants under compensation for implementation of GST is reduced from ₹ 7436.00 crore in 2019-20 to ₹ 5521.65 crore in 2020-21. The grant of ₹ 161.49 crore is received under Delhi Disaster Response Fund during 2020-21. No grant is received under 1984 riot victims and Relief to J&K migrants from GOI in 2020-21.
20. There is Fiscal Deficit of ₹ 9972.96 crore during 2020-21 (Prov.) as compared to Fiscal Deficit of ₹ 3227.79 crore in 2019-20 which is 1.27% of GSDP as compared to 0.41% during 2019-20.
21. Thus, the overall expenditure of Delhi in the year 2020-21 was lower than its income.

22. Direct Benefit Transfer (DBT):

- 22.1 Direct Benefit Transfer (DBT) is an attempt to change the mechanism of transferring benefits. This program aims to transfer subsidies / benefits directly to the beneficiaries through their bank accounts. The emphasis on delivering

benefits directly reduces leakages, increases beneficiary choice and eliminates intermediaries between the beneficiary and the state.

- 22.2 The primary aim of the Direct Benefit Transfer program is to bring transparency and terminate pilferage from distribution of funds sponsored by Government of India and Govt. of NCT of Delhi. Under DBT, benefit or subsidy is directly transferred to beneficiaries after verification and authentication of data of beneficiaries using Aadhaar numbers or biometric input and linking bank account details.
- 22.3 Total 83 Schemes of which 36 under Centrally Sponsored Schemes and 47 State Schemes are being implemented under DBT in NCT of Delhi.
- 22.4 Overall 94.02% beneficiaries (94.45% beneficiaries under CSS and 89.87% under State Schemes) have been seeded with Aadhaar up to December 2021. All payments under various welfare schemes of Centrally Sponsored Schemes to beneficiaries are made through DBT mode of PFMS portal only.
- 22.5 Total savings upto March, 2021 accrued due to implementation of Aadhaar based DBT is ₹ 65.84 crore as reported by Department of Social Welfare and Department of Women and Child Development.
- 22.6 Delhi DBT Portal has been made live and integrated with Bharat DBT Portal. DBT implementing departments upload schemes wise data on Delhi DBT portal monthly which is pulled over by DBT Mission once in a month.
23. The details of inflow and outflow of funds of Delhi Government and some of its important financial features are described in the following paragraphs:-

24. Revenue Receipts

- 24.1 As per population Census-2011, the population of Delhi recorded a decadal growth of 21.20 per cent during 2001-2011 as compared to the growth of 17.67 per cent at the all India level. In view of high population growth of Delhi, it is necessary for the Government to augment its revenue to finance its development schemes/projects in order to cater to the needs and aspirations of the people in Delhi.
- 24.2 Revenue receipts can broadly be categorized as Tax Revenue, Non-Tax Revenue and Grants-in-aid and other receipts from the Central Government. The position of revenue receipts of Delhi Government is presented in Statement 4.1 and Charts 4.1 and 4.2 (Ref. Table 4.1 for further details).

STATEMENT 4.1
REVENUE RECEIPTS OF THE GOVT. OF NCT OF DELHI

(₹ in Crore)

S.No	Item of receipt	2011-12	2018-19	TGR 2011-19	2019-20	2020-21 (Prov.)	2021-22 (BE)
1	Stamps and registration (Including Land Revenue)	2240.27	4458.73	8.18	4609.01	3552.98	5000.00
2	State Excise	2533.72	5028.19	10.13	5068.01	4108.15	6000.00
3	VAT	13750.95	5885.75	-8.09	5474.67	4411.20	6200.00
4	State Goods and Services Tax	NA	19186.57	NA	19464.95	15676.15	23800.00
5	Taxes on Vehicles	1049.19	2054.75	10.20	1948.09	1676.18	2000.00
6	Other taxes & duties on goods and services	397.54	10.68	-26.42	1.14	0.67	0.00
A	Own Tax Revenue (1 to 6)	19971.67	36624.67	8.73	36565.87	29425.33	43000.00
B	Own Non-Tax Revenue	460.86	644.17	1.80	1096.89	979.67	1000.00
C	Grants and other receipts from the centre	1960.64	5843.77	15.65	9473.05	11458.60	9070.10
D	Total Revenue Receipts (A to C)	22393.17	43112.61	9.26	47135.81	41863.60	53070.10

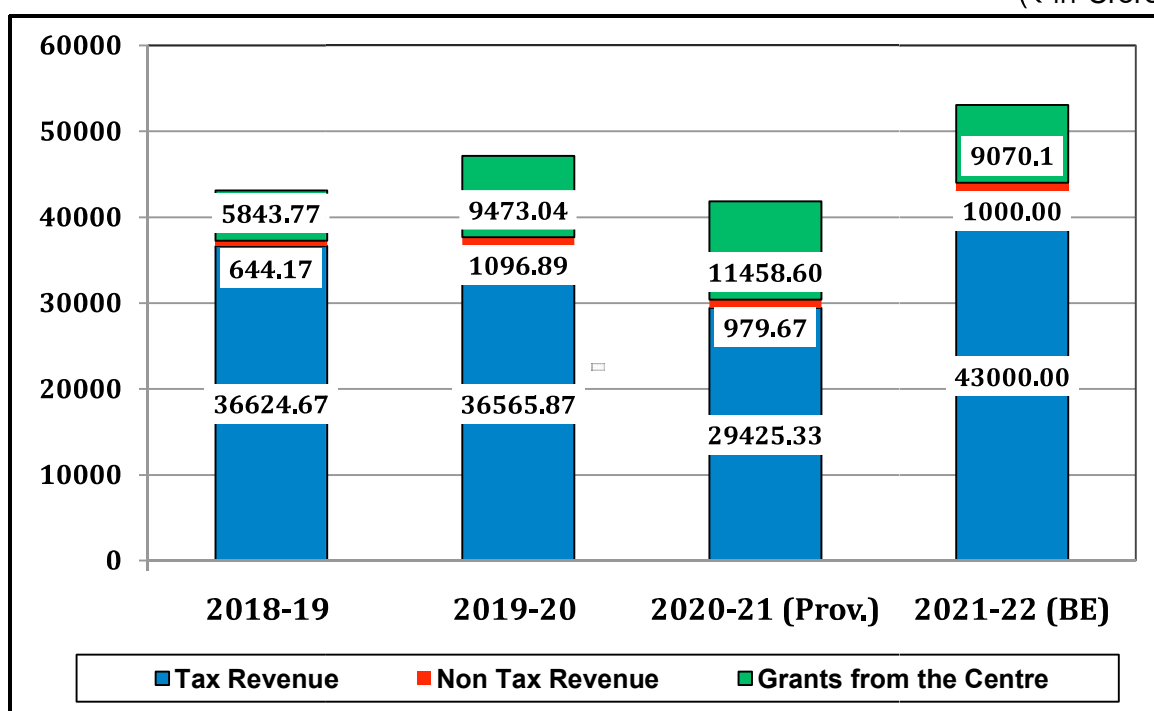
Sources: 1. Figures for 2011-12 to 2019-20 is from Finance Accounts, GNCTD.

2. Figures for 2020-21 & 2021-22 are from Budget document, GNCTD.

Note: TGR –Trend Growth Rate (%).

CHART 4.1
REVENUE RECEIPTS OF DELHI GOVERNMENT 2018-19 TO 2021-22 (BE)

(₹ in Crore)

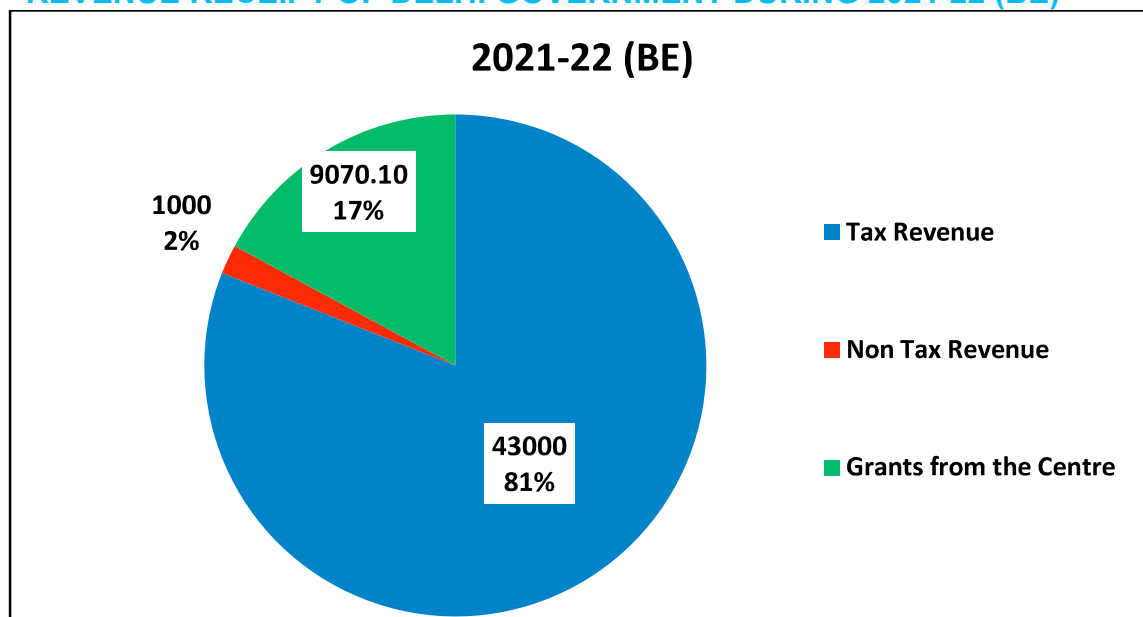


- 24.3 The total Revenue Collection of Delhi Government was ₹ 41863.60 crore (5.33% of GSDP) in 2020-21 as against ₹ 47135.81 crore (5.94% of GSDP) during 2019-20. During 2020-21 (Prov.) the Revenue Receipts decreased significantly with a negative growth rate of 11.19%. **The main reason for such deficit is COVID-19 Pandemic.** It is also pertinent to mention the fact that during 2020-21, the tax collections declined by 19.53% as compare to decline of 0.16% in 2019-20. The

growth of Own non-tax revenue of the Government of NCT of Delhi has also seen a sharp fall of 10.69% in 2020-21 from a positive growth of 70.28% in 2019-20. There was a decline in growth rate in grants/ other receipts from the Centre from 62.11% in 2019-20 to 20.96% in 2020-21. The targeted revenue collection for the year 2021-22 (BE) is ₹ 53070.10 crore with the growth of 26.77% over the previous year.

CHART 4.2

REVENUE RECEIPT OF DELHI GOVERNMENT DURING 2021-22 (BE)



- 24.4 Chart 4.2 represents the Tax Revenue, own Non-Tax Revenue and Grant-in-Aid/ other receipts from the Centre during 2021-22. The major source of Revenue Receipt of Delhi Government during 2021-22 is its Tax Revenue which is ₹ 43000 crore (81.03%) followed by Grants/ Receipts from the Centre at ₹ 9070.10 crore (17.09%) and Non-Tax Revenue at ₹ 1000 crore (1.88%).

25. Tax Revenue

- 25.1 The targeted tax collection for the year 2021-22(BE) is ₹ 43000 crore with the growth of 46.13% over the previous year. The Tax Revenue of Delhi Government was ₹ 29425.33 crore (3.75% of GSDP) in 2020-21 as compared to ₹ 36565.87 crore (4.61% of GSDP) in 2019-20. Delhi's Tax Revenue registered a negative growth of 19.53% in 2020-21 as compared to the slight negative growth of 0.16% in 2019-20. The main items of Tax Revenue of Delhi Government during 2020-21 are Goods and Services Tax (including other Taxes & Duties on Commodities and Services which incorporates Entertainment, Betting & Luxury Tax) which was ₹ 15676.82 crore (53.28%), followed by Value Added Tax (VAT) which was ₹ 4411.20 crore (14.99%) followed by State Excise at ₹ 4108.15 crore (13.96%), Stamps & Registration Fees at ₹ 3552.98 crore (12.07%), Taxes on Motor Vehicle at ₹ 1676.18 crore (5.70%). The details regarding the collection of various tax revenue collections during 2017-18 to 2020-21 (Prov.) is presented in the following Statement 4.2. (Ref. Chart 4.3 and Statement 4.1)

STATEMENT 4.2
TAX COLLECTION OF GOVT. OF NCT OF DELHI 2017-18 TO 2020-21 (PROV.)

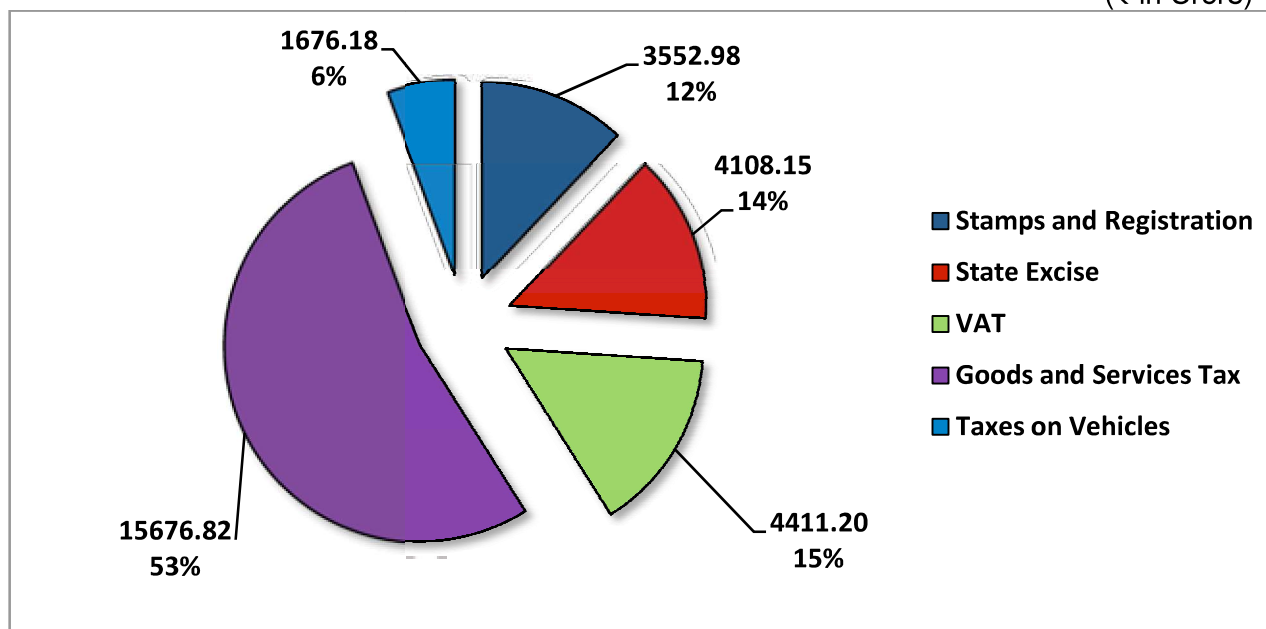
(₹ in Crore)

S. No.	Item	2017-18	2018-19	2019-20	2020-21	2017-18	2018-19	2019-20	2020-21 (Prov.)
		Actual			Prov.	Growth over previous year (in %)			
1	Stamps and registration (Including Land Revenue)	4118.58	4458.73	4609.01	3552.98	30.92	8.26	3.37	-22.91
2	State Excise	4453.49	5028.19	5068.01	4108.15	4.75	12.90	0.79	-18.94
3	VAT	11149.17	5885.75	5474.67	4411.20	-47.27	-47.21	-6.98	-19.43
4	State Goods and Services Tax	13620.84	19186.57	19464.95	15676.15	NA	40.86	1.45	-19.46
5	Taxes on Vehicles	2115.76	2054.75	1948.09	1676.18	16.97	-2.88	-5.19	-13.96
6	Other taxes & duties on goods and services	259.18	10.68	1.14	0.67	-67.17	-95.88	-89.34	-41.17
Tax Revenue (1 to 6)		35717.02	36624.67	36565.87	29425.33	14.70	2.54	-0.16	-19.53

Note: Other Taxes are majorly subsumed in GST since July 2017.

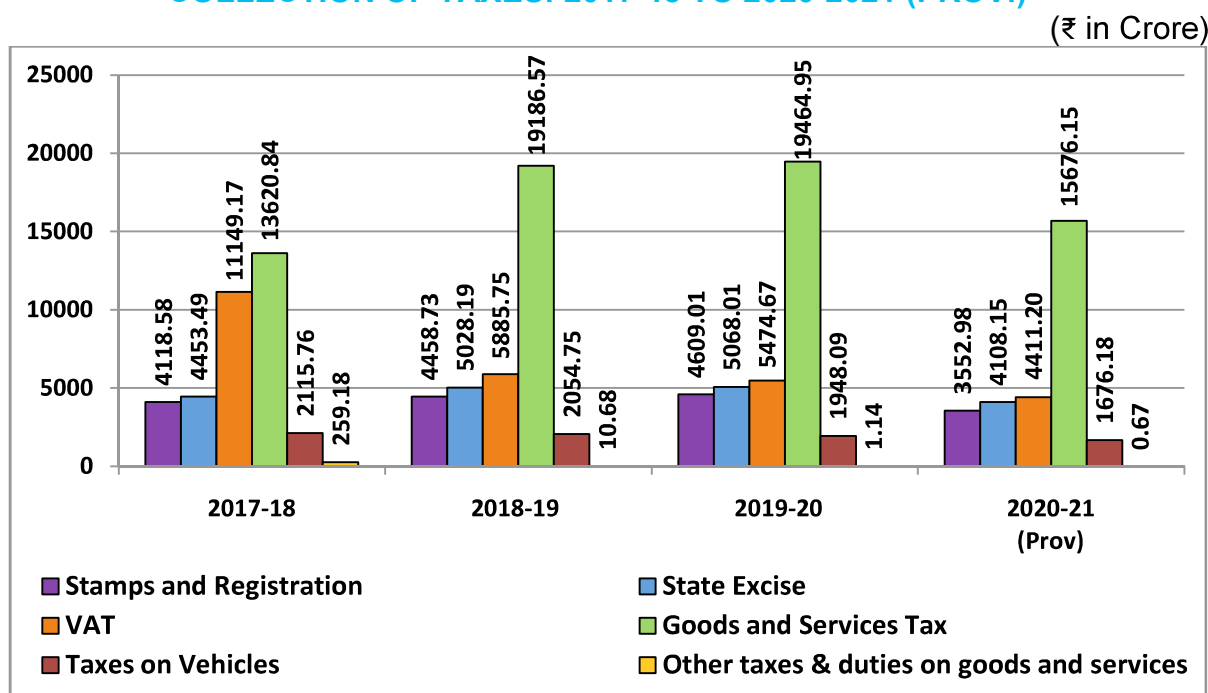
CHART 4.3
TAX REVENUE OF DELHI GOVERNMENT 2020-21 (PROV.)

(₹ in Crore)



25.2. The year-wise position of collection of various Taxes and their percentage share during 2017-18 to 2020-21 is shown in Chart 4.4 and Table 4.3 respectively.

CHART 4.4
COLLECTION OF TAXES: 2017-18 TO 2020-21 (PROV.)



STATEMENT 4.3
PERCENTAGE SHARE OF VARIOUS TAXES DURING 2017-18 TO 2020-21 (PROV.)

(in Per cent)

Sl. No.	Item	2017-18	2018-19	2019-20	2020-21
		Actual			Prov.
1	Stamps and registration (Including Land Revenue)	11.53	12.17	12.60	12.08
2	State Excise	12.47	13.73	13.87	13.96
3	VAT	31.22	16.07	14.97	14.99
4	State Goods and Services Tax	38.13	52.39	53.23	53.27
5	Taxes on Vehicles	5.92	5.61	5.33	5.70
6	Other taxes & duties on goods and services	0.73	0.03	0.00	0.00
	Total	100.00	100.00	100.00	100.00

Sources: Figures for 2017-18 to 2019-20 from Finance Accounts and 2020-21 are from Principal Account Office of GNCTD.

- 25.3 The annual growth of Tax Revenue during 2020-2021 (Prov.) was recorded negative at 19.53% as compared to negative growth of 0.16% during 2019-20. The growth of Stamps and Registration (including Land Revenue) was recorded negative at 22.91% during 2020-21 as compared to the positive growth at 3.37% during 2019-20. State Excise also showed a negative growth of 18.94% during 2020-21 as compared to positive growth at 0.79% during 2019-20. State Goods and Services Tax also showed a negative growth at 19.46% during 2020-21 as compared to positive growth at 1.45% during 2019-20. VAT registered a negative growth of 19.43% during 2020-21 against the negative growth of 6.98% in 2019-20. Similarly, the growth of other Taxes & Duties on Commodities & Services

was negative at 41.17% in 2020-21 compared to the negative growth at 89.34% during 2019-20. However, the growth in collection of Taxes on Motor Vehicle was recorded negative at 13.96% during 2020-21 as compared to the negative growth at 5.19% during 2019-20.

26. Non Tax Revenue

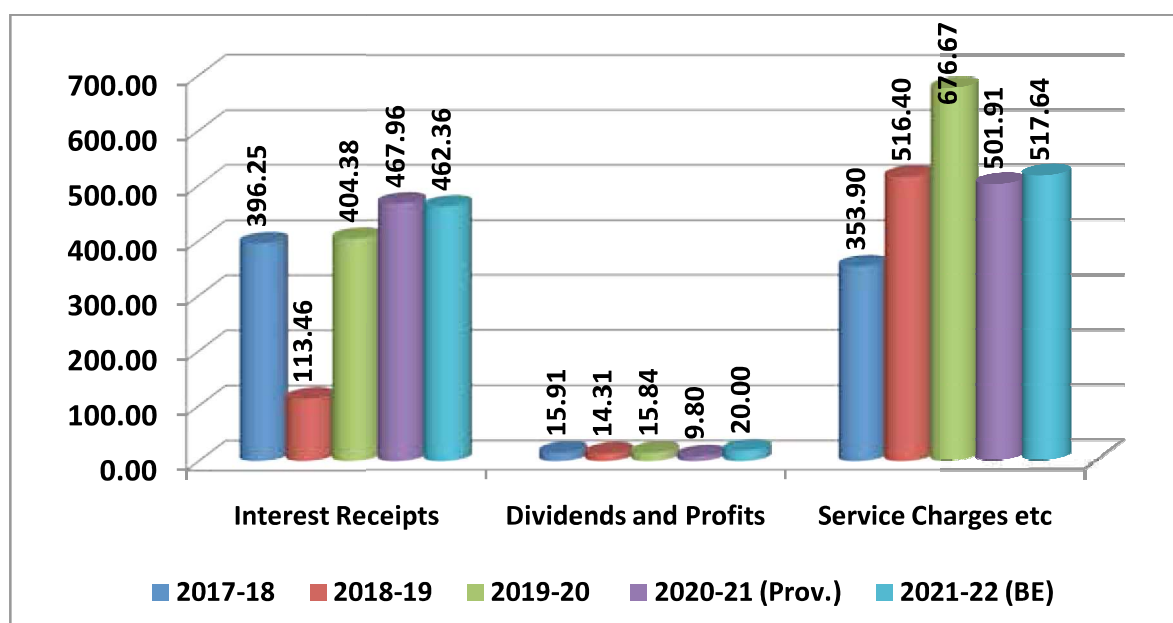
- 26.1 The Delhi Government's own Non-Tax Revenue mainly consists of interest receipts on account of loans and advances provided by Delhi Government to its Local Bodies and Undertakings, dividends and profits from investments in various Public Sector Undertakings and service charges/ fees/ fines etc. from various Government Departments. Statement 4.4 and Chart 4.5 indicates the position of Own Non Tax Revenue of Delhi Government.

STATEMENT 4.4
OWN NON-TAX REVENUE OF GNCTD 2017-18 TO 2021-22 (BE)

S. No.	Item	2017-18	2018-19	2019-20	2020-21	2021-22
		Actual			(Prov.)	BE
1	Interest Receipts	396.25	113.46	404.38	467.96	462.36
2	Dividends and profits	15.91	14.31	15.84	9.80	20.00
3	Services Charges	353.90	516.40	676.67	501.91	517.64
	Total	766.06	644.17	1096.89	979.67	1000.00

Source: Finance Accounts of GNCTD for various years and budget document.

CHART 4.5
BREAK-UP OF OWN NON-TAX REVENUE 2017-18 TO 2021-22 (BE)



- 26.2 The budgeted collection under Non-Tax Revenue for the year 2021-22(BE) is ₹ 1000 crore. Delhi's own Non-Tax Revenue was ₹ 979.67 crore in 2020-21 (0.12% of the GSDP) as compared to ₹ 1096.89 crore (0.14% of GSDP) received during 2019-20. During 2020-21, Delhi Government's own Non Tax Revenue consisted service charges of ₹ 501.91crore (51.23%) followed by interest receipt at ₹ 467.96 crore (47.77%) and dividends and profits at ₹ 9.80 crore (1%).

27. Grant-in-Aid/ Receipts from the Centre

- 27.1 The Government of India has categorized all the states into two categories viz Special Category States and General Category States for the purpose of providing funds for developmental programme/schemes based on some norms like revenue base of a state, border region etc.
- 27.2 The Grant-in-aid/ receipts to Delhi from the Centre consists of discretionary grant in lieu of Share in Central Taxes, Establishment grant for specific purposes like compensation on account of phasing out of Central Sales Tax (CST)/ implementation of VAT/ implementation of GST, Grant under Central Assistance for Annual outlay of Delhi and also grants for Centrally Sponsored Schemes (CSS). The details of grant-in-aid from Centre to Delhi during 2017-18 to 2021-22 (BE) are mentioned in Statement 4.5.

STATEMENT 4.5 GRANT-IN-AID/ OTHER RECEIPTS FROM THE CENTRE TO DELHI GOVT 2017-18 TO 2021-22 (BE)

(₹ in Crore)

S. No.	Item	2017-18	2018-19	2019-20	2020-21 (Prov.)	2021-22 (BE)
1	Grant in lieu of Share in Central Taxes	325.00	325.00	325.00	325.00	325.00
2	Enhance compensation to 1984 riot victims	10.66	10.59	0.00	0.00	1.50
3	Compensation for revenue losses due to phasing out of CST	690.53	0.00	0.00	0.00	0.00
4	Relief to J&K Migrants	0.00	0.00	0.00	0.00	25.00
5	Compensation for Implementation of GST	157.00	4182.00	7436.00	5521.65	6000.00
6	DDRF	5.00	0.00	0.00	161.49	5.00
7	Normal Central Assistance	412.98	449.99	472.00	626.00	626.00
8	Centrally Sponsored Scheme	581.74	807.03	1169.48	1441.46	2087.60
9	Central Road Fund	1.16	0.00	0.00	0.00	0.00
10	Other Grants	0.12	69.16*	70.56**	0.00	0.00
11	Reversal of IGST Devolution and Apportionment of IGST	0.00	0.00	0.00	3383.00	0.00
Total Grants		2184.19	5843.77	9473.04	11458.60	9070.10
Grants as % to GSDP		0.32	0.79	1.19	1.46	0.98

Source: - Finance Accounts of GNCTD for various years and budget document.

* Out of ₹ 69.16 Crore, ₹ 67.97 Crore received under the Safe City project for safety of women by Delhi Police in Delhi during Financial Year 2018- 19 and ₹ 1.19 Crore received from M/O Law & Justice & Empowerments, GOI for setting up of 02 Special Courts in Delhi during financial year 2018-19.

**Out of ₹ 70.56 Crore, ₹ 69.26 Crore received under the Central Assistance to GNCTD towards Intra State Movement and handling of food grains and fair price dealers margin under NFSA during Financial Year 2019- 20 and ₹ 1.30 Crore received from M/O Law & Justice & Empowerments, GOI for setting up of 02 Special Courts in Delhi during financial year 2019-20.

- 27.3 The flow of funds received from Govt. of India to GNCTD increased to the tune of ₹ 11458.60 crore in 2020-21 (Prov.) as compared to ₹ 9473.05 crore in 2019-20.

28. Tax Buoyancy

- 28.1 The Tax Buoyancy indicates the relative growth in Tax Revenue with reference to the growth in the economy being measured by the growth of Gross State Domestic Product (GSDP). The following statement indicates the Tax Buoyancy of Delhi Government during 2016-17 to 2020-21 (Prov.).

STATEMENT 4.6 TAX BUOYANCY IN DELHI

Sl. No.	Item	2016-17	2017-18	2018-19	2019-20	2020-21 (Prov.)
1	Stamps and registration (Including Land Revenue)	-0.71	3.08	0.93	0.45	21.01
2	State Excise	0.03	0.47	1.45	0.10	17.38
3	Goods and Services Act	NA	NA	4.58	0.19	17.86
4	Other taxes & duties on goods and services	1.07	-6.70	-10.75		
5	VAT	0.37	-4.71	-5.29	-0.93	17.83
6	Taxes on Vehicles	1.06	1.69	-0.32	-0.69	12.81
Total		0.26	1.47	0.28	-0.02	17.92

- 28.2. The Tax Buoyancy of Delhi was 17.92 during 2020-21 compared to -0.02 during 2019-20. The Tax Buoyancy was the lowest during 2019-20.

29. Tax Effort

- 29.1 Though Delhi is one among the higher per capita income States in the country, its position was 18th in terms of Own Tax/GSDP ratio (3.75%) during 2020-21, out of General Category States categorized by Govt. of India.
- 29.2 Out of General Category States categorized by Govt. of India, Tax/GSDP ratio for 2021-22 (BE) of top five states are Uttar Pradesh (9.80%), Kerala (8.20%), Maharashtra (8.20%), Telangana (8.20%) and Andhra Pradesh (8.00%). Tax/GSDP ratio of Delhi during 2021-22 (BE) is 4.65%. The following Statement indicates the position of Tax Revenue of Delhi as percentage of GSDP vis-a-vis the position of all States.

STATEMENT 4.7 TAX REVENUE AS % OF GSDP/GDP OF DELHI VIS-À-VIS ALL STATES

(₹ in Crore)

Sl. No.	Years	Delhi		All States	
		Tax Revenue	% of GSDP	Tax Revenue	% of GSDP
1	2011-12	19972	5.81	532270	6.09
2	2012-13	23432	5.99	625930	6.29
3	2013-14	25919	5.84	712419	6.34
4	2014-15	26604	5.38	779278	6.25
5	2015-16	30225	5.49	847145	6.15
6	2016-17	31140	5.05	912911	5.93
7	2017-18	35717	5.27	1130460	6.61
8	2018-19	36625	4.96	1214840	6.43
9	2019-20	36566	4.61	1223990	6.10
10	2020-21 (Prov.)	29425	3.75	1241120	6.27
11	2021-22 (BE)	43000	4.65	1594670	6.74

Source: RBI- State Finances- A study of Budgets and for Delhi figures for 2011-12 to 2019-20 and 2021-22 (BE) from Finance Accounts and 2020-21 from Principal Account Office of GNCTD.

30. Revenue Expenditure

- 30.1 The revenue expenditure of the Government of Delhi consists of salary, office expenses, grant-in-aid/subsidy to Institutions/ Local Bodies, interest payment to Government of India etc. The position of revenue expenditure of Government of Delhi is presented in Statement 4.8 and Chart 4.6.

STATEMENT 4.8
REVENUE EXPENDITURE (ESTABLISHMENT AND SCHEME/ PROJECTS)
OF DELHI GOVERNMENT 2012-13 TO 2021-22 (BE)

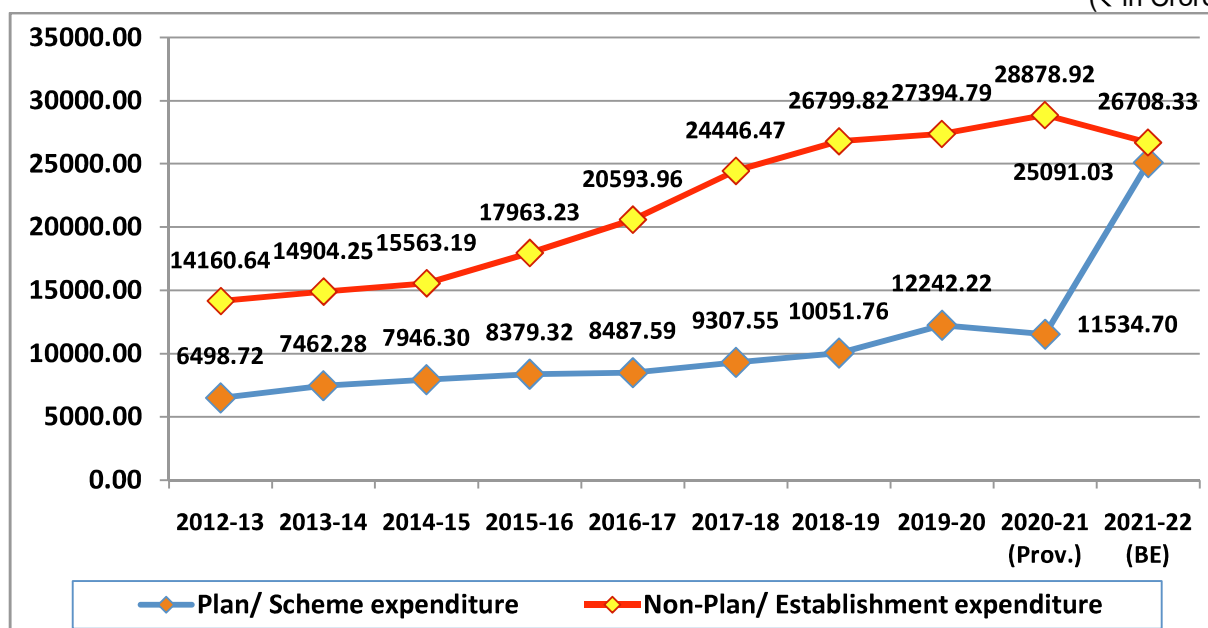
(₹ in Crore)

Sl. No.	Years	Establishment Exp	Interest Payment out of Establishment Exp; (i.e. out of column 3)	Programmes Schemes /Projects	Total
(1)	(2)	(3)	(4)	(5)	(6)
1	2012-13	14160.64	2862.88	6498.72	20659.36
2	2013-14	14904.25	2824.29	7462.28	22366.53
3	2014-15	15563.19	2774.00	7946.30	23509.49
4	2015-16	17963.23	2809.81	8379.32	26342.55
5	2016-17	20593.36	2882.52	8487.59	29081.55
6	2017-18	24446.47	2870.67	9307.55	33754.02
7	2018-19	26799.82	2867.11	10051.76	36851.58
8	2019-20	27394.79	2751.87	12242.22	39637.02
9	2020-21 (Prov.)	28878.92	2873.83	11534.70	40413.62
10	2021-22 (BE)	26708.33	3334.21	25091.03	51799.36

Sources: Figures for 2012-13 to 2019-20 is from Finance Accounts, 2020-21(Prov) are from Principal Account Office and 2021-22(BE) from Budget Documents, GNCTD.

CHART 4.6
REVENUE EXPENDITURE (PLAN & NON-PLAN) DURING 2012-13 TO 2020-21 AND DURING 2021-22(BE) (PROGRAMME/SCHEMES AND ESTABLISHMENT)

(₹ in Crore)



- 30.2 *Note: the Plan / Non Plan dichotomy was done away with as a Fiscal reform since F.Y. 2017-18.* The total Revenue Expenditure of Delhi Government was ₹ 40413.62 crore during 2020-21(Prov.) with a growth of 1.96%. Statement 4.9 indicates the percentage growth of Revenue Expenditure during 2017-18 to 2020-21 (Prov.).

STATEMENT 4.9
GROWTH OF REVENUE EXPENDITURE OF DELHI GOVERNMENT

(in Per cent)

Items	2017-18	2018-19	2019-20	2020-21 (Prov.)
Total Revenue Expenditure	16.07	9.18	7.56	1.96

31. Interest Payment to Government of India

- 31.1 The interest liability of a Government during a year depends on its outstanding debt in the previous year. The Delhi Government has made interest payment of ₹ 2873.83 crore in 2020-21 (Prov.) which is 9.77 percent of its Tax Revenue during the year. Delhi's outstanding debt at the end of March 2020 was ₹ 34461.83 crore including the non plan loan received during 2013-14 from Government of India for meeting out the outstanding liabilities of DVB/DESU amounting to ₹ 3326.39 crore. The decision regarding the payment of ₹ 3326.39 crore received as Non Plan loan from Government of India during 2013-14 is yet to be finalized as the Government of NCT of Delhi has been requesting the Government of India to convert the said amount into Grant in Aid. The position of interest payment of Delhi Government as percentage of its Tax Revenue is shown in the following Statement.

STATEMENT 4.10
INTEREST PAYMENT AS PERCENTAGE OF TAX REVENUE OF DELHI GOVT.

(₹ in Crore)

S. No.	Years	Tax Revenue	Interest Payment	(%)
1	2010-11	16477.75	2579.52	15.65
2	2011-12	19971.67	2917.26	14.61
3	2012-13	23431.52	2862.88	12.22
4	2013-14	25918.69	2824.29	10.90
5	2014-15	26603.90	2774.00	10.43
6	2015-16	30225.16	2809.81	9.30
7	2016-17	31139.89	2882.52	9.26
8	2017-18	35717.02	2870.67	8.03
9	2018-19	36624.67	2867.11	7.82
10	2019-20	36565.87	2751.87	7.52
11	2020-21 (Prov.)	29425.33	2873.83	9.77
12	2021-22 (BE)	43000.00	3334.21	7.75

32. Devolution of funds to Local Bodies

- 32.1 Devolution of funds to Local Bodies in Delhi (i.e. MCD or its successor entities & NDMC) is being made as per the Government's decision based on the recommendations of Delhi Finance Commission (DFC). The devolution of funds to Local Bodies covers Basic Tax Share (i.e. share out of net Tax proceeds from Delhi Government) and Non-Plan (up to 2016-17 and Establishment since 2017-18) Grant for specific purposes like education, maintenance of resettlement colonies etc. Though Delhi Cantonment Board (DCB) is not regarded as a Local Body but devolution of funds to them is also being made based on the recommendations of the Delhi Finance Commission.
- 32.2 The formula for devolution of funds to Local Bodies in Delhi as decided by Delhi Government based on the recommendations of the Third Delhi Finance Commission whose term was 2006-11, has been extended to the years from 2011-12 to 2016-17. Based on the recommendations of Third Delhi Finance Commission, 4% of the net tax proceeds of Delhi Government was devolved to the Local Bodies as their Basic Tax Share, 5% of the net tax proceeds devolved as Non-Plan (up to 2016-17 and Establishment during 2017-18) and grants towards meeting expenditure on education/resettlement colonies and 1.5% of the net tax proceeds was available as municipal reform funds to the successor entities of MCD and NDMC for improvement in their revenue and economy in expenditure. The Fourth Delhi Finance Commission submitted its report to the Delhi Government, however, the same was not considered. Afterwards, the Govt. of NCT of Delhi vide Cabinet decisions No. 2669 and 2670 dated 01.01.2019 decided to implement the recommendations of 5th DFC for the period 2016-17 to 2020-21. A Statement indicating the Devolution of funds to Local Bodies during the tenure of 1st, 2nd & 3rd DFC is as follows.

STATEMENT 4.11

DEVOLUTION OF FUNDS TO LOCAL BODIES IN DELHI

(₹ in Crore)

Sl. No.	Details	Period of 1 st DFC (1996-01)	Period 2 nd DFC (2001-06)	Period of 3 rd DFC (2006-11)		
				2006-08 (Based on the Recommendation of 2 nd DFC)	2008-11 (Based on the Recommendation of 3 rd DFC)	2006-11 Total
1	Grants in Aid					
	a. MCD	644.53	1380.34	1035.11	2577.74	3612.85
	b. NDMC	48.83	91.50	64.42	170.67	235.09
	c. DCB	4.82	7.08	3.89	14.31	18.20
	d. Total	698.18	1478.92	1103.42	2762.72	3866.14
2	Basic Tax Share					
	a. MCD	872.01	1576.83	1151.18	1456.30	2607.48
	b. NDMC	44.60	51.13	38.09	39.92	78.01
	c. DCB	11.15	22.93	12.30	18.67	30.97
	d. Total	927.76	1650.89	1201.57	1514.89	2716.46
3	Total					
	a. MCD	1516.54	2957.17	2186.29	4034.04	6220.33
	b. NDMC	93.43	142.63	102.51	210.59	313.10
	c. DCB	15.97	30.01	16.19	32.98	49.17
	Total	1625.94	3129.81	2304.99	4277.61	6582.60

- 32.3 The devolution of funds to Local Bodies during the tenure (2006-11) of 3rd DFC was ₹ 6582.60 crore with a growth of 110.32 per cent over the devolution during the tenure of 2nd DFC. Out of the total devolution of ₹ 6582.60 crore during the tenure of 3rd DFC, an amount of ₹ 6220.33 crore (94.5 percent) was devolved to MCD, ₹ 313.10 crore (4.8 percent) and ₹ 49.17 crore (0.7 percent) respectively were devolved to NDMC and DCB.
- 32.4 The Municipal Corporation of Delhi (MCD) was trifurcated into North Delhi Municipal Corporation, South Delhi Municipal Corporation and East Delhi Municipal Corporation vide Government of Delhi's Notification dated 13th January 2012 to provide better municipal services to the residents of Delhi. The following Statement indicates the year-wise devolution of funds to Local Bodies during 2013-14 to 2018-19 (Prov.).

STATEMENT 4.12 (A)
YEAR-WISE DEVOLUTION OF FUNDS TO LOCAL BODIES IN DELHI
 (₹ in Crore)

S.No	Item	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
1	Elementary Education	1058.97	1108.98	1116.90	1291.54	1340.22	1113.19
a	North DMC	452.59	462.81	475.96	550.56	571.36	474.68
b	South DMC	345.66	353.46	363.50	420.48	436.36	362.52
c	East DMC	228.96	234.14	240.79	278.53	289.05	240.14
d	NDMC	28.12	33.45	32.25	36.94	38.24	31.55
e	DCB	3.64	25.12	4.40	5.03	5.21	4.30
2	Secondary Education (NDMC)	35.01	37.25	40.23	46.00	47.61	39.28
3	Maintenance of School Building	42.39	47.47	48.70	55.68	57.65	47.55
a	North DMC	18.68	20.92	21.46	24.54	25.40	20.95
b	South DMC	14.26	15.97	16.39	18.73	19.40	16.00
c	East DMC	9.45	10.58	10.85	12.41	12.85	10.60
4	Maintenance of Resettlement Colonies	100.00	100.00	100.00	100.00	100.00	75.01
a	North DMC	44.06	44.06	44.06	44.06	44.06	33.05
b	South DMC	33.65	33.65	33.65	33.65	33.65	25.24
c	East DMC	22.29	22.29	22.29	22.29	22.29	16.72
5	Maintenance of Capital Assets	43.77	41.01	50.29	57.50	59.51	49.40
a	North DMC	16.11	18.04	18.51	21.16	21.90	18.07
b	South DMC	16.11	18.04	18.51	21.16	21.90	18.07
c	East DMC	10.17	11.39	11.68	13.37	13.83	11.71
d	NDMC	1.38	-6.46	1.59	1.81	1.88	1.55
6	Construction of Dhobi Ghatt (NDMC)	0.10	0.10	0.10	0.10	0.0	0.0
7	Basic Tax Assignments	804.50	893.66	958.90	1022.43	1093.94	2364.99
a	North DMC	270.25	302.66	332.93	332.64	367.48	894.72
b	South DMC	346.70	388.29	398.36	455.50	471.44	388.94
c	East DMC	146.04	163.55	179.91	179.75	198.57	1034.76
d	NDMC	26.19	22.00	30.10	34.41	35.62	29.39
e	DCB	15.32	17.16	17.60	20.13	20.83	17.18
8	Municipal Reform Fund (MRF)	0.00	0.00	0.00	374.00	446.34	490.00
a	North DMC	0.00	0.00	0.00	145.30	NA	NA
b	South DMC	0.00	0.00	0.00	118.00		
c	East DMC	0.00	0.00	0.00	110.70		
	Total (Transfers excluding MRF)	2084.74	2228.47	2315.12	2573.25	2698.93	3689.42

Source: PAO, GNCTD.

- 32.5 As decided by the Cabinet vide decision No. 2670 dated 01.01.2019, the net proceeds of tax revenue will be devolved to local bodies as per recommendations of 5th DFC. Thus, total devolution of funds shall be 12.5% of net tax collection. This consist of 6% Basic Tax Assignment and 6.5% sector specific grants i.e. Health, Education and Urban Development. Accordingly, the devolution / allocation of funds for the period 2019-20 to 2021-22 (BE) to Local bodies are as under:

STATEMENT 4.12 (B)

DEVOLUTION OF FUNDS TO LOCAL BODIES IN DELHI FOR THE YEAR 2019-20, 2020-21 (PROV.) AND 2021-22 (BE)

(₹ in Crore)

S. No	Item	2019-20	2020-21 (Prov.)	2021-22 (BE)
A	BTA	2520.70	2068.73	2068.73
a	North DMC	872.03	764.81	764.81
b	South DMC	409.52	405.26	405.26
c	East DMC	1207.68	864.83	864.83
d	New Delhi Municipal Corporation	17.57	20.07	20.07
e	Delhi Cantonment Board	13.90	13.76	13.76
B	Sector Specific Grants			
1	Education Sector (including MDM) *	1516.43	1322.34	1533.60
a	North DMC	661.33	607.01	678.00
b	South DMC	460.92	403.94	474.70
c	East DMC	391.57	309.72	376.65
d	New Delhi Municipal Corporation	2.50	1.37	2.65
e	Delhi Cantonment Board	0.11	0.30	1.60
2	Health Sector	260.75	231.62	296.00
a	North DMC	135.75	110.65	150.00
b	South DMC	55.00	56.17	65.00
c	East DMC	70.00	64.80	81.00
3	Urban Development Sector	492.40	663.10	610.02
a	North DMC	212.40	307.13	216.80
b	South DMC	80.00	94.89	106.20
c	East DMC	200.00	163.08	189.00
d	New Delhi Municipal Corporation	0.00	98.00	98.02
C	Total Sector Specific Grant (1+2+3)	2269.58	2217.06	2439.62
	Grand Total (A)+(B)	4790.28	4285.79	4508.35

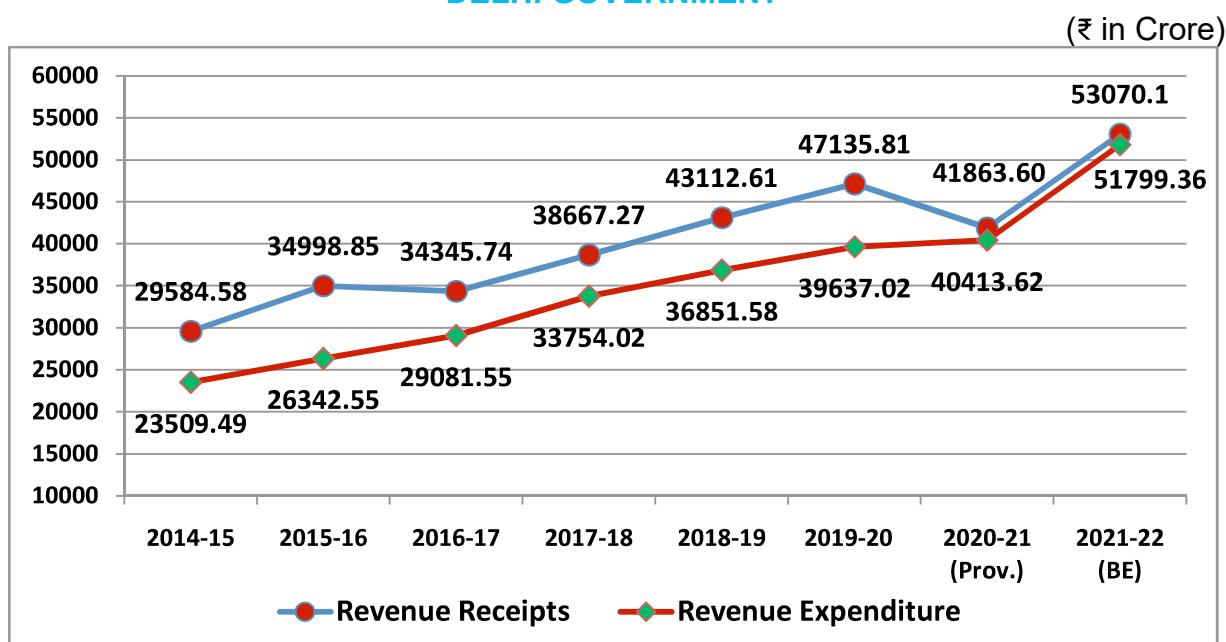
* Note: The release for MDM includes Central Share of Grant.

- 32.6 During 2020-21 (Prov.) a total of ₹ 4285.79 was devolved to Local Bodies, of which an amount of ₹ 1789.60 crore (41.76%) was devolved to North Delhi Municipal Corporation, ₹ 960.26 crore (22.40%) was devolved to South Delhi Municipal Corporation, ₹ 1402.43 crore (32.72%) was devolved to East Delhi Municipal Corporation and ₹ 119.44 crore (2.79%) and ₹ 14.06 crore (0.33%) were devolved to NDMC and DCB respectively ₹ 4508.35 crore was budgeted in 2021-22 (BE) as devolution to local bodies.

33. Revenue Surplus

- 33.1 Delhi has a distinct character of having consistent Revenue Surplus. The budgeted Revenue Surplus for the year 2021-22 (BE) is ₹ 1270.74 crore. Chart 4.7 indicates the revenue receipt and revenue expenditure position of Delhi Government during 2014-15 to 2021-22 (BE).

CHART 4.7
REVENUE RECEIPT & REVENUE EXPENDITURE OF DELHI GOVERNMENT



- 33.2 The position regarding the revenue surplus / deficit of Delhi viz.-a-viz. all States during the period 2012-13 to 2021-22 (BE) is mentioned in Statement 4.13. Further, Chart No.4.8 indicates the position of revenue surplus/deficit of Delhi Government.

STATEMENT 4.13
REVENUE SURPLUS/DEFICIT OF ALL STATES & GNCTD DURING 2012-13 TO 2021-22 (BE)

(₹ in Crore)

S. No.	Years	Revenue Surplus (+) / Deficit (-)		Fiscal Surplus (+) / Deficit (-)	
		Delhi	All States	Delhi	All States
1	2012-13	4902	20320	-3573	-195470
2	2013-14	5614	-10563	-5268	-247850
3	2014-15	6075	-45704	-1128	-327190
4	2015-16	8656	-5380	-113	-420670
5	2016-17	5264	-40490	-2705	-534330
6	2017-18	4913	-18840	-1569	-410490
7	2018-19	6261	-17769	-1489	-462770
8	2019-20	7499	-121495	-3228	-524710
9	2020-21 (Prov.)	1450	-395149	-9973	-931652
10	2021-22 (BE)	1271	-117779	-14930	-818584

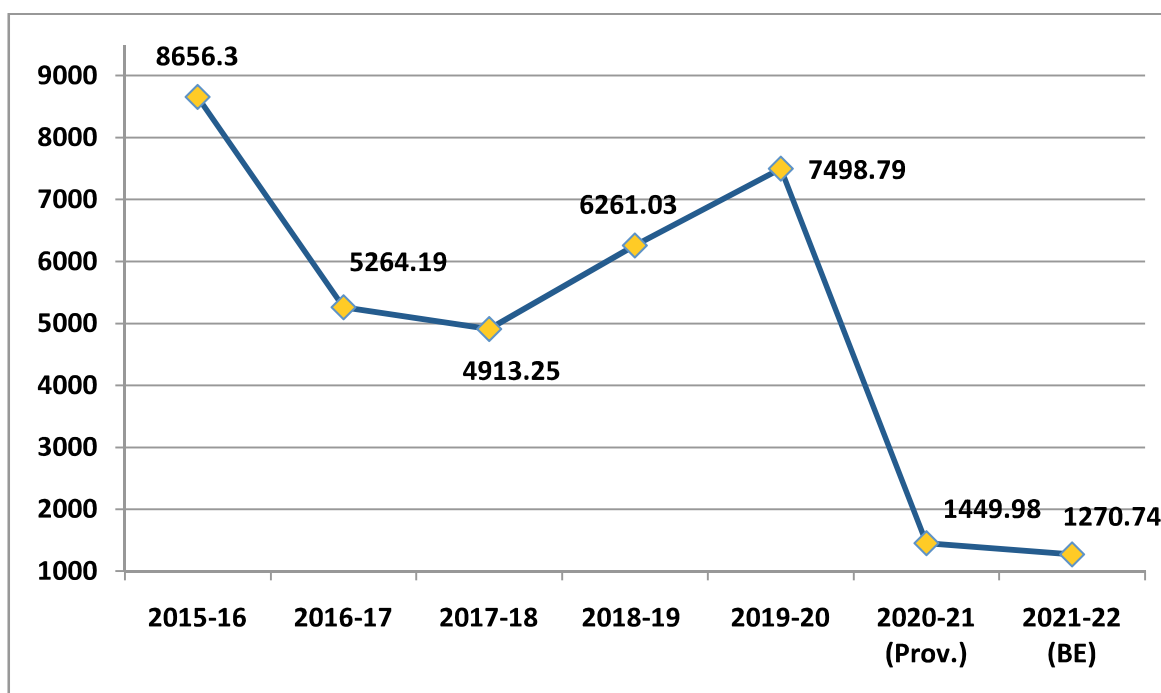
Revenue Surplus(+) / Deficit(-) Percentage to GSDP/GDP)					
1	2012-13	1.25	0.20	-0.91	-1.97
2	2013-14	1.26	-0.09	-1.19	-2.21
3	2014-15	1.23	-0.37	-0.23	-2.63
4	2015-16	1.57	-0.04	-0.02	-3.05
5	2016-17	0.85	-0.26	-0.44	-3.47
6	2017-18	0.72	-0.11	-0.23	-2.40
7	2018-19	0.85	-0.09	-0.20	-2.45
8	2019-20	0.94	-0.61	-0.41	-2.61
9	2020-21 (Prov.)	0.18	-2.00	-1.27	-4.71
10	2021-22 (BE)	0.14	-0.50	-1.62	-3.46

Sources: 1. Finance Accounts, GNCTD, 2021-22 (BE) from Budget Document.
2. RBI – State Finances – A study of Budgets of 2021-22.

CHART 4.8

REVENUE SURPLUS OF DELHI GOVERNMENT DURING 2015-16 TO 2021-22 (BE)

(₹ in Crore)



34. Capital Receipts

- 34.1 Delhi Government's capital receipts consist of loan from National Small Savings Fund (NSSF), recovery of loans and advances from Local Bodies/Public Utilities /Government Servants, etc. The information regarding the capital receipts of Delhi Government is presented in the following Statement.

STATEMENT 4.14
CAPITAL RECEIPTS OF DELHI GOVERNMENT 2016-17 TO 2021-22 (BE)
 (₹ in Crore)

Sl. No.	Sources	2016-17	2017-18	2018-19	2019-20	2020-21 (Prov.)	2021-22 (BE)
1.	Small Saving Loan	1695.53	1906.34	2800.00	4540.60	9500.00	9284.86
2.	Block Loans-in lieu of GST compensation shortfall	0.00	0.00	0.00	0.00	5865.00	0.00
2.	Recovery of Loan & Advances	212.49	690.42	1643.90	822.65	631.48	1000.00
3	Loan under EAP	0.00	0.00	80.00	225.00	0.00	0.01
Total Capital Receipts		1908.02	2596.76	4523.90	5588.25	15996.48	10284.87

Note - Apart from above, there was an outstanding Non Plan Loan amounting to Rs. 3326.39 crore received from Ministry of Power, Govt. of India in the year 2013-14.

Sources: 1. Figures for 2016-17 to 2019-20 is from Finance Accounts, GNCTD.

2. Figures for 2020-21 (Prov.) are from Principal Account Office and 2021-22 from Budget Documents, GNCTD.

- 34.2 During 2020-21 (Prov.) Delhi Government's Capital Receipt was ₹ 15996.48 crore as compared to ₹ 5588.25 crore received during the previous year 2019-20. One of the main reasons for steep rise in Capital Receipts during 2020-21 was due to higher small saving loan amounting to ₹ 9500.00 crore received from Govt. of India compared to ₹ 4540.60 crore during 2019-20. There is also an additional receipt of ₹ 5865.00 crore as Block Loans which is in lieu of GST compensation shortfall provided by Govt. of India. The Recovery of loans and advances decreased significantly from ₹ 822.65 crore in 2019-20 to ₹ 631.48 crore in 2020-21 (Prov.). The budgeted capital receipts for 2021-22 (BE) is ₹ 10284.87 crore.

35. Capital Expenditure

- 35.1 The capital expenditure of Delhi Government is reported under Plan & Non-plan (up to 2016-17) and under Schemes/Projects and Establishment from 2017-18. The capital expenditure under Schemes/ Programmes covers the expenditure like capital outlay for various infrastructure projects of the Government and loans and advances to the Local Bodies/ Undertakings for development projects/ schemes while the Establishment capital expenditure includes repayment of loan to Government of India, and non plan loan, if any, provided to the Local Bodies etc. The Statement 4.15 and Chart 4.9 indicate the capital receipts and disbursement of Delhi Government.

STATEMENT 4.15
CAPITAL EXPENDITURE OF DELHI GOVERNMENT

(₹ in Crore)

Sl. No.	Sources	2016-17	2017-18	2018-19	2019-20	2020-21 (Prov.)	2021-22 (BE)
1.	Plan/ Scheme Exp.*	5615.97	4883.93	5566.94	8037.59	7688.59	12708.97
2.	Non Plan/ Estt. & Admn. Exp.*	2565.84	2288.90	3827.37	3511.65	4365.83	4491.67
	Of which Loan Repayment	1654.62	1682.43	3636.35	2811.10	3265.17	4265.17
Total Capital Expenditure		8181.81	7172.83	9394.31	11549.24	12054.42	17200.64

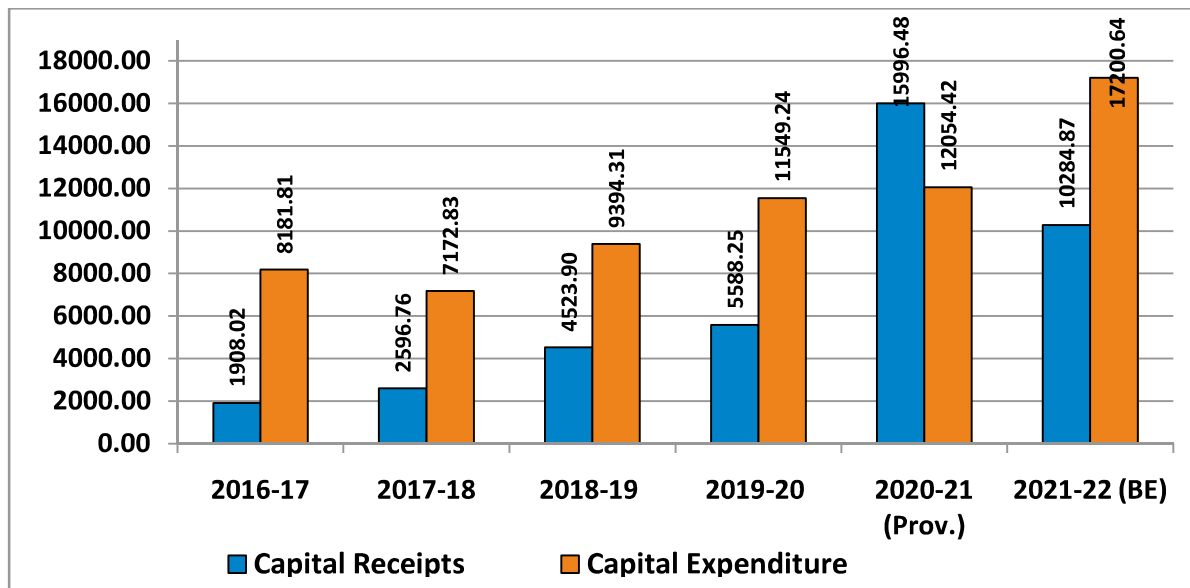
Note - Plan & Non Plan have been merged in 2017-18, the classification now is Scheme/Projects in place of Plan and Establishment in place of Non Plan.

Sources: 1. Figures for 2016-17 to 2019-20 is from Finance Accounts, GNCTD.

2. Figures for 2020-21 are from Principal Account Office and 2021-22 from budget document, GNCTD.

CHART 4.9
CAPITAL RECEIPTS & CAPITAL EXPENDITURE OF DELHI GOVERNMENT

(₹ in Crore)



- 35.2 The total capital expenditure of Delhi Government during 2020-21 (Prov.) was ₹ 12054.42 crore which is 22.97% of the total expenditure of ₹ 52468.04 crore. Out of total capital expenditure of ₹ 12054.42 crore during 2020-21 (Prov.), the expenditure incurred under Schemes/Projects was ₹ 7688.59 crore (63.78%) and the remaining ₹ 4365.83 crore (36.22%) was under Estt. & Admn. Expenditure. The budgeted total capital expenditure for 2021-22 (BE) is ₹ 17200.64 crore which is 24.93% of the total expected expenditure of ₹ 69000 crore.

36. Public Debt

- 36.1 The Statement 4.16 indicates the outstanding Debt of Delhi Government and its debt servicing liability.

STATEMENT 4.16

PUBLIC DEBT OF DELHI GOVT. DURING 2011-12 TO 2020-21

(₹ in Crore)

S. No.	Years	Outstanding Debt at the beginning of the year	Amount Received	Amount Repaid	Outstanding debt at the end of the year
1	2011-12	30140.07	556.08	1087.88	29608.27
2	2012-13	29608.27	922.41	1287.99	29242.7
3	2013-14	29242.7	4162.9	1325.29	32080.31
4	2014-15	32080.31	1764.32	1346.72	32497.91
5	2015-16	32497.91	2241.13	1435.18	33303.86
6	2016-17	33303.86	1695.53	1654.62	33344.77
7	2017-18	33344.77	1906.34	1682.43	33568.68
8	2018-19	33568.68	2800.00	3636.35	32732.33
9	2019-20	32732.33	4540.60	2811.10	34461.83
10	2020-21 (Prov.)	34461.83	9500.00	3265.17	40696.66

Sources: 1. Figures for 2011-12 to 2019-20 is from Detailed Demand for Grants 2020-21, GNCTD.

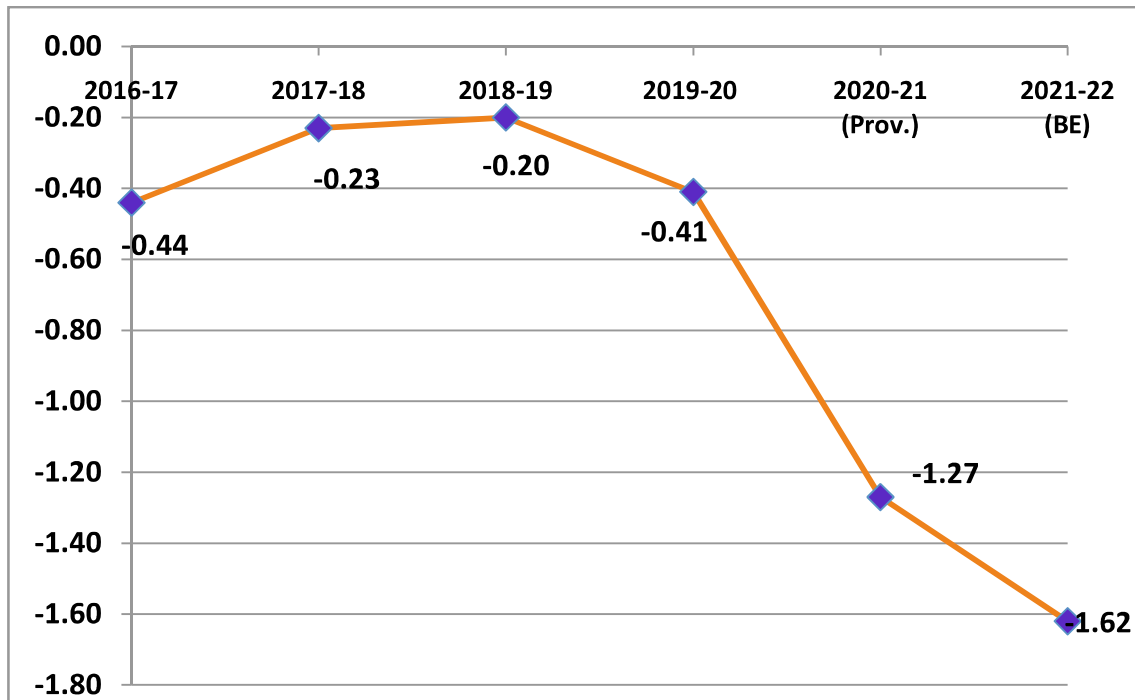
2. Figure for 2020-21 is from Principal Account Office, GNCTD.

- 36.2 Delhi Government's outstanding debt stood at ₹ 40696.66 crore at the end of March 2021 including the power sector loan amounting to ₹ 3326.39 crore received during 2013-14. Such outstanding debt is mainly on account of Small Savings Loan from National Small Savings Fund (NSSF) and loan received from Ministry of Power, Govt. of India to settle outstanding liabilities of DESU/DVB received during 2013-14 from Ministry of Power, Government of India. As a result of above outstanding debt, the Delhi Government has paid an amount of ₹ 2873.83 crore as interest and ₹ 3265.17 crore as repayment of principal to the Government of India during 2020-21.

37. Fiscal Deficit/ Surplus

- 37.1 The Fiscal Deficit is a summary of statistical measure that indicates the net borrowing requirement of the Government from all sources. The Delhi Government Fiscal Deficit increased significantly from ₹ 3227.79 crore during 2019-20 to ₹ 9972.96 crore during 2020-21. Chart 4.10 indicates the fiscal deficit/surplus as percentage of GSDP during 2016-17 to 2021-22 (BE). However, the Government has projected the fiscal deficit of ₹ 14929.90 crore during 2021-22 (BE) which is 1.62% of GSDP.

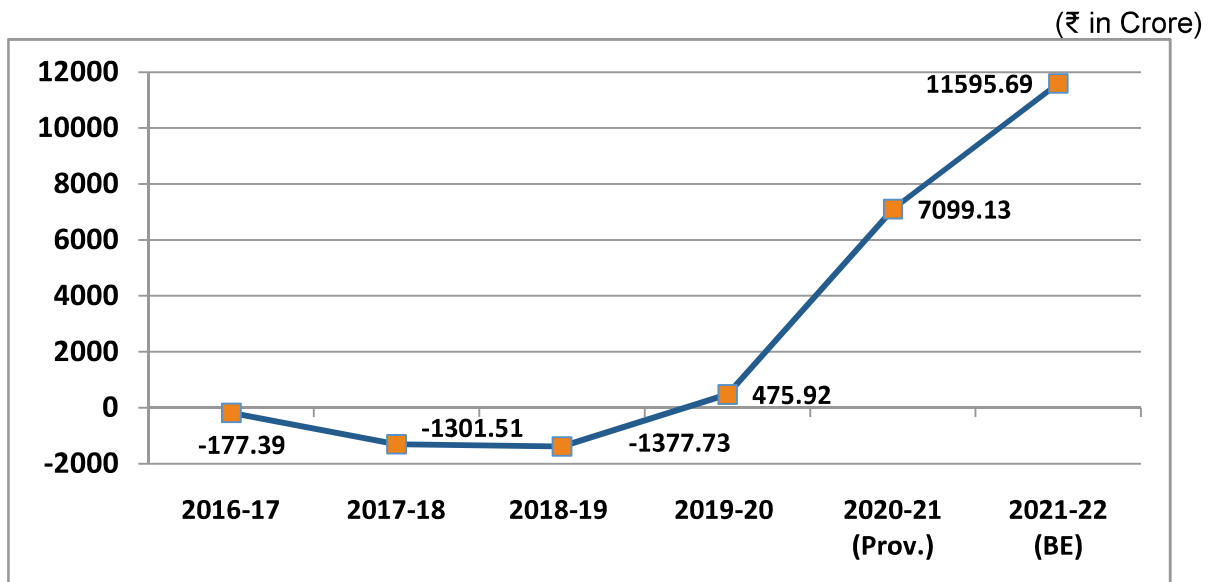
CHART 4.10
GROSS FISCAL DEFICIT/ SURPLUS AS PERCENTAGE OF GSDP OF DELHI



38. Primary Deficit

- 38.1 Primary Deficit (i.e. the fiscal deficit net of interest payment) is a measure of the net borrowing requirements of the Government to fund its total current consumption and investment expenditure. The Delhi Government's Primary Deficit increased significantly from ₹ 475.92 crore during 2019-20 to ₹ 7099.13 crore during 2020-21. However, Delhi Government projected a primary deficit of ₹ 11595.69 crore during 2021-22 (BE). Chart 4.11 indicates the Primary Deficit/Surplus of Delhi Government during 2016-17 to 2021-22 (BE).

CHART 4.11
PRIMARY DEFICIT/SURPLUS OF DELHI GOVERNMENT



39. Assistance to Public Utilities

The financial performance of Public Utilities in Delhi has an impact on the finances of the Government, because, financial assistance under the establishment expenditure in the form of loan/ grant/ subsidy is being provided to them to meet their deficit. This as a result, reduces the resources for Annual Outlay for Scheme/Projects of Delhi Government to that extent. Financial assistance to various Public Utilities in Delhi is as follows:

39.1 Delhi Transport Corporation (DTC)

39.1.1 The DTC is incurring working losses and accordingly, the Delhi Government is obliged to meet such losses by providing them financial assistance. The financial position of Delhi Transport Corporation (DTC) and financial assistance provided by Delhi Government to them is presented in Statement 4.17 and Chart 4.12.

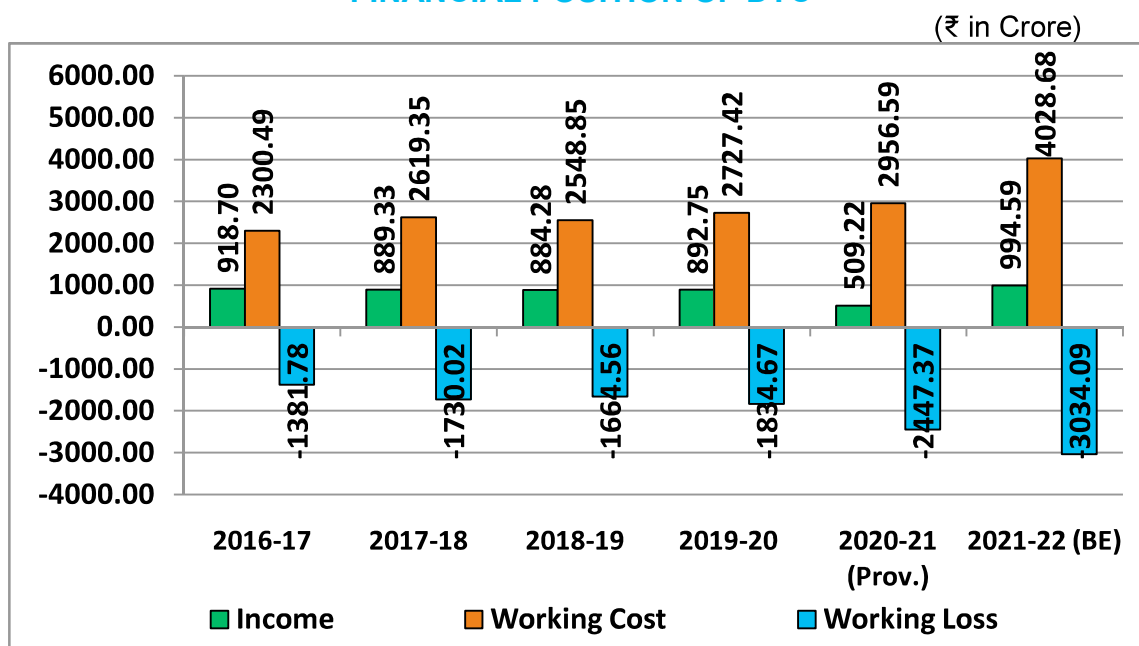
STATEMENT 4.17

FINANCIAL POSITION OF DTC AND ASSISTANCE PROVIDED BY DELHI GOVT.

(₹ in Crore)

Item	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22 (BE)
Income	918.70	889.33	884.28	892.75	509.22	994.59
Working Cost	2300.49	2619.35	2548.85	2727.42	2956.59	4028.68
Working Loss (1-2)	-1381.78	-1730.02	-1664.56	-1834.67	-2447.37	-3034.09
Assistance provided by GNCTD						
Grant	1550.00	2007.00	1825.00	2030.00	2475.00	3034.00
Subsidy for Free/ Concessional Passes	65.90	70.18	64.45	90.68	78.82	55.00
Subsidy for Free Travelling for Lady Passengers	0.00	0.00	0.00	70.17	114.86	190.00

CHART 4.12
FINANCIAL POSITION OF DTC



39.1.2 The working losses (i.e. Revenue Receipt minus Establishment Expenditure excluding Interest Payment and Depreciation) of DTC was ₹ 3034.09 crore in 2021-22 (BE) in comparison of ₹ 2447.37 crore in 2020-21 (Prov.). Till the year 2010-11, the Delhi Government used to meet the working losses of DTC by providing them with the loan, from the year 2011-12, the system has been changed by providing them with Grant, instead of Loan, in order to meet working losses.

39.1.3 Further, the Delhi Government has also discontinued the old practice of recovering the interest dues of DTC by converting the interest into a loan from the year 2011-12. Besides these, the Delhi Government provides a subsidy to DTC to defray the cost of free/concessional passes issued by DTC on the direction of the Government. The Delhi Government provided a subsidy of ₹ 46.82 crore to DTC during 2020-21 (Prov.) for concessional passes.

39.2 Delhi Jal Board (DJB)

39.2.1 Presently, DJB is managing its operational expenses from its own resources after implementation of revised Water Tariff with effect from 1st January 2010. DJB has not asked for Non Plan assistance from Delhi Government since 2010-11. The Delhi Government has also implemented one of the famous subsidy scheme of free water supply upto 20 KL per month for the domestic water consumers in Delhi from March 2015 onwards. During the year 2020-21, Delhi Government provided a subsidy of ₹ 600 crore to DJB for meeting out the expenditure for free water supply to consumers.

39.2.2 The financial position of Delhi Jal Board (DJB) as well as assistance provided by Delhi Government for its capital projects under Plan is presented in Statement 4.18 and Chart 4.13.

STATEMENT 4.18
FINANCIAL POSITION OF DJB 2016-17 TO 2021-22 (BE)

(₹ in Crore)

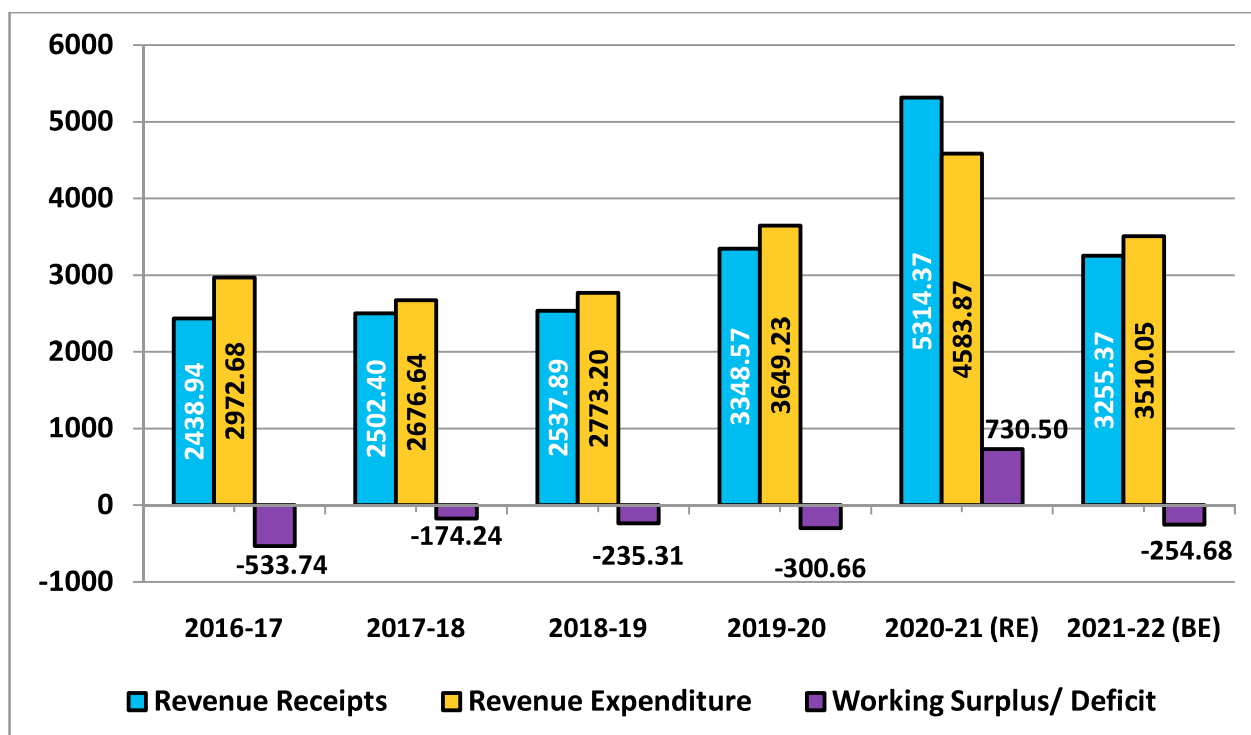
S. No.	Details	2016-17	2017-18	2018-19	2019-20	2020-21 (RE)	2021-22 (BE)
1	Revenue Receipts						
	a. Water	2123.78	1943.16	2148.34	2425.53	3697.14	2666.18
	b. Sewerage	137.97	141.74	121.86	107.23	135.37	143.90
	c. Others	177.19	417.50	267.70	815.81	1481.86	445.30
	Total Revenue Receipts	2438.94	2502.40	2537.89	3348.57	5314.37	3255.37
2	Revenue Expenditure						
	a. Establishment	1571.95	1669.38	1766.93	1852.75	1936.08	2164.72
	b. Electricity / Power	591.71	604.18	558.14	613.12	659.00	685.00
	c. Cost of Raw Water	21.13	26.10	23.73	20.42	44.00	44.00
	d. Property Tax and Others	9.67	10.40	9.91	0.23	12.00	12.00
	e. Repair & Maintenance	177.91	175.03	297.35	1071.45	418.96	444.48
	f. General Stores and Chemicals	23.55	17.42	29.71	26.11	38.85	39.40
	g. Other Expenses	91.84	79.56	87.43	65.16	120.41	120.45
	Rebate on Arrear to Consumers	235.87	56.53	0.00	0.00	76.46	0.00
	Rebate on LPSC to consumers	249.07	38.03	0.00	0.00	1278.11	0.00
	Total Revenue Expenditure	2972.68	2676.64	2773.20	3649.23	4583.87	3510.05
3	Working Surplus/ Deficit (excluding debt charges & depreciation) (1-2)	-533.74	-174.24	-235.31	-300.66	730.50	-254.68
4	Schemes/ Projects/ Plan income and expenditure						
	a. Capital Income (fund released)	1386.82	1766.37	2625.98	2475.00	3901.00	3033.50
	b. AMRUT Income	0.00	137.01	0.00	145.46	0.00	0.00
	Total Capital income (a+b)	1386.82	1903.38	2625.98	2620.46	3901.00	3033.50
	a. Capital expenditure	1380.74	1549.22	1973.56	2350.78	3901.00	3033.50
	b. AMRUT Expenditure	0.00	65.53	90.14	92.06	0.00	0.00
	Total Capital Expenditure (a+b)	1380.74	1614.75	2063.70	2442.84	3901.00	3033.50

Source: Delhi Jal Board (Data above provided on accrual basis).

39.2.3 It may be observed from the above table that operation of Delhi Jal Board for the year 2021-22 (BE) indicates a working deficit of ₹ 254.68 crore. Besides, Delhi Jal Board recorded consecutive working deficit since 2016-17 to 2019-20 i.e. ₹ 533.74 crore (2016-17), ₹ 174.24 crore (2017-18), ₹ 235.21 crore (2018-19), ₹ 300.66 crore (2019-20) and working surplus of ₹ 730.50 crore (2020-21).

CHART 4.13
FINANCIAL POSITION OF DJB 2016-17 TO 2021-22 (BE)

(₹ in Crore)



39.3 Power Utilities

39.3.1 Power Sector in Delhi has undergone a major transformation since 2002. From a single State Electricity Board called Delhi Vidyut Board (DVB), the entire sector was divided into **07** independent companies including **03** Distribution Companies (DISCOMs) i.e. BSES- Rajdhani, BSES-Yamuna and TPDDL, **01** Transmission Company i.e. Delhi Transco Ltd.(DTL), **02** Power Generation Companies i.e. Indraprastha Power Generation Company Ltd.(IPGCL) and Pragati Power Corporation Ltd.(PPCL), and **01** Holding Company i.e. Delhi Power Company Ltd. (DPCL). While DISCOMs are private Companies, the others are all Government owned companies. Presently, financial assistance is being provided to the Power Utilities in Delhi i.e. to DPCL for meeting out Central Public Sector Undertaking dues and subsidy at 50 percent to consumers of electricity, consuming upto 400 units per month with effect from 1st March 2015. During the previous year 2020-21 GNCTD has released an amount of ₹ 2939.99 crore for meeting the CPSU dues and electricity subsidy. There is a provision of ₹ 3090.00 crore in 2021-22 (BE) for meeting the CPSU dues and electricity subsidy.

40. Finances of Local Bodies

- 40.1 For civic administration, the NCT of Delhi has been divided into five areas, working independently of each other, namely the North Delhi Municipal Corporation, South Delhi Municipal Corporation, East Delhi Municipal Corporation, New Delhi Municipal Council (NDMC) and Delhi Cantonment Board (DCB). The first three new Municipal Corporations were created after trifurcation of the erstwhile Municipal Corporation of Delhi (MCD). The information regarding area and population of trifurcated Municipal Corporations of Delhi is not available. The area and density of population in Municipal Corporations of Delhi as a whole, New Delhi Municipal Council and Delhi Cantonment Board as per the census of 2011 is presented in Statement 4.19.

STATEMENT 4.19

ESTIMATED AREA & DENSITY OF POPULATION OF LOCAL BODIES IN DELHI

(Approximate)

S N	Local Bodies	Area (Sq. Km)	Population (Lakh)	Density of Population (Persons per Sq. Km)
1.	Municipal Corporations of Delhi	1397.29	164.20	11751
2.	New Delhi Municipal Council	42.74	2.58	6032
3.	Delhi Cantonment Board	42.97	1.10	2568
	Total	1483.00	167.88	11320

- 40.2 The position of opening balance, receipts, expenditure and closing balance of New Delhi Municipal Council (NDMC) during 2016-17 to 2021-22 (BE) is presented in Statement 4.20 and Chart 4.14.

STATEMENT 4.20

FINANCIAL POSITION OF NEW DELHI MUNICIPAL COUNCIL 2016-17 TO 2021-22 (BE)

(₹ in Crore)

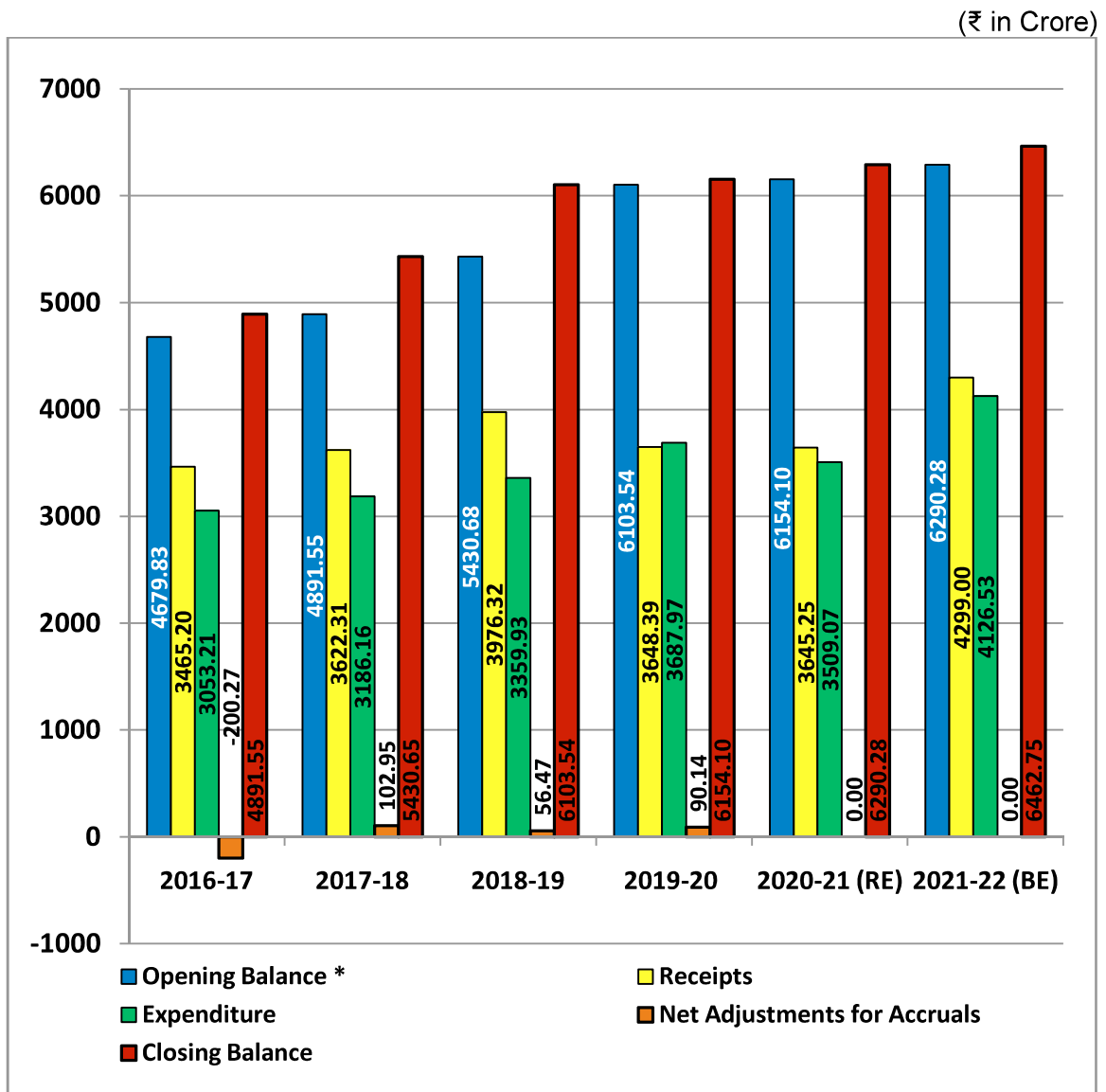
S. No.	Item	2016-17	2017-18	2018-19	2019-20	2020-21 (RE)	2021-22 (BE)
1	Opening Balance *	4679.83	4891.55	5430.65	6103.51	6154.07	6290.25
2	Receipts	3465.20	3622.31	3976.32	3648.39	3645.25	4299.00
3	Expenditure	3053.21	3186.16	3359.93	3687.97	3509.07	4126.53
4	Net Adjustment for Accruals (+/-)	-200.27	102.95	56.47	90.14	0.00	0.00
5	Closing Balance	4891.55*	5430.65*	6103.51*	6154.07*	6290.25	6462.72

Source: - New Delhi Municipal Council.

* Balance Include items on accrued basis along with cash and bank balance.

CHART 4.14

FINANCIAL POSITION OF NEW DELHI MUNICIPAL COUNCIL 2016-17 TO 2021-22 (BE)



- 40.3 The following Statement 4.21 indicates non-plan income and expenditure of three entities of Municipal Corporation of Delhi (MCD) viz North Municipal Corporation, South Municipal Corporation and East Delhi Municipal Corporation during 2016-17 to 2021-22 (BE).

STATEMENT 4.21

NON-PLAN INCOME & EXPENDITURE OF MCD 2016-17 TO 2021-22 (BE)

(₹ in Crore)

S. No.	Item	2016-17	2017-18	2018-19	2019-20	2020-21 (RE)	2021-22 (BE)
North Delhi Municipal Corporation							
1	Opening Balance	306.33	464.54	366.85	83.91	38.93	1026.42
2(a)	Receipts	3174.66	3490.74	3993.81	3816.50	6872.35	6701.87
(b)	Loan from GNCTD	200.00	0.00	0.00	0.00	0.00	0.00
(c)	Internal Borrowing	0.00	0.00	0.00	482.50	0.00	0.00
3	Total Receipts (a+b+c)	3374.66	3490.74	3993.81	4299.00	6872.35	6701.87
4	Expenditure	3216.45	3588.43	4276.75	4343.98	5884.86	7727.04
5	Closing Balance	464.54	366.85	83.91	38.93	1026.42	1.25
South Delhi Municipal Corporation							
1	Opening Balance	665.96	1295.97	1366.51	1454.90	1319.80	156.88
2	Receipts	3954.97	4048.06	4040.49	3698.51	3799.56	4894.16
3	Expenditure	3324.96	3977.52	3952.10	3833.61	4962.48	5048.20
4	Closing Balance	1295.97	1366.51	1454.90	1319.80	156.88	2.83
East Delhi Municipal Corporation							
1	Opening Balance	78.26	172.35	273.12	459.47	547.11	626.96
2	Receipts	1681.13	1738.38	2487.37	2073.92	3177.06	4522.11
3	Expenditure	1587.04	1637.61	2301.02	1986.28	3097.21	4668.95
4	Closing Balance	172.35	273.12	459.47	547.11	626.96	480.12

Source: - Municipal Corporation of Delhi.

41. Financing of Annual Outlay for Schemes/Projects of Delhi Govt.

41.1 Financing of Annual Outlay for Schemes/Projects of Delhi is almost similar to that of other States. However, Delhi does not get the benefit of the dispensations recommended by the successive Central Finance Commissions to the States and also it cannot take resort to Market Borrowing/Negotiated loans/Provident Fund etc for its plan financing. The following Statement 4.22 indicates the achievement of resources during 2016-17 to 2021-22 (BE).

41.2 Plan Expenditure & Non Plan Expenditure have been merged in 2017-18 as per directions of Ministry of Finance, Govt. of India. Hence, the classification now is Scheme/Projects in place of Plan and Establishment in place of Non Plan.

STATEMENT 4.22 (A)**ACHIEVEMENT OF RESOURCES DURING 2017-18 TO 2021-22 (BE)**

(₹ in Crore)

Sl. No	Item	2017-18	2018-19	2019-20	2020-21 (Prov.)	2021-22 (BE)
1	Tax Revenue (i to v)	35717.02	36624.67	36565.87	29425.34	43000.00
i	VAT/SGST	24770.01	25072.32	24939.62	20087.35	30000.00
a	VAT	11149.17	5885.75	5474.67	4411.20	6200.00
b	SGST	13620.84	19186.57	19464.95	15676.15	23800.00
ii	Stamps & Regd. Fee	4118.58	4458.73	4609.01	3552.98	5000.00
iii	Taxes on Motor Vehicle	2115.76	2054.75	1948.09	1676.18	2000.00
iv	State Excise	4453.49	5028.19	5068.01	4108.15	6000.00
v	Other Taxes	259.18	10.68	1.14	0.68	0.00
a	Entertainment Tax (including Cable TV Tax)	83.76	1.86	0.09	0.04	0.00
b	Betting Tax	5.40	-1.13	0.01	-0.01	0.00
c	Luxury Tax	170.02	9.95	1.04	0.65	0.00
2	Own Non- Tax Revenue	766.06	644.17	1096.89	979.67	1000.00
3	Capital Receipts	690.42	1643.90	822.65	631.48	1000.00
4	Share in Central Taxes	325.00	325.00	325.00	325.00	325.00
5	GST/VAT/CST Compensation	847.53	4182.00	7436.00	5521.65	6000.00
6	Centrally Sponsored Schemes	581.74	807.03	1169.48	1441.46	2087.60
7	Other Grants/ Receipts from GOI	429.92	529.74	542.56	4170.49	657.50
8	Small Saving Fund	1906.34	2800.00	4540.60	9500.00	9284.86
9	Loan under EAP	0.00	80.00	225.00	0.00	0.01
10	Block Loan in lieu of GST Compensation	0.00	0.00	0.00	5865.00	0.00
11	Opening Balance	2635.34	2972.52	4363.14	5900.94	5645.03
12	Total Funds	43899.37	50609.03	57087.19	63761.03	69000.00
13	Total Expenditure	40926.85	46245.89	51186.26	52468.04	69000.00
i	Estt. & Admn. Expenditure	26735.37	30627.19	30906.45	33244.75	31200.00
a	Revenue	24446.47	26799.82	27394.79	28878.92	26708.33
b	Capital	2288.90	3827.37	3511.65	4365.83	4491.67
ii	Scheme Expenditure	14191.48	15618.70	20279.81	19223.29	37800.00
a	Revenue	9307.55	10051.76	12242.22	11534.70	25091.03
b	Capital	4883.93	5566.94	8037.59	7688.59	12708.97

STATEMENT 4.22 (B)
ACHIEVEMENT OF RESOURCES DURING 2013-14 TO 2016-17

(₹ in Crore)

S. No	Item	2013-14	2014-15	2015-16	2016-17
A	Tax Revenue	25918.69	26603.90	30225.16	31139.89
1	VAT	17925.71	18289.31	20245.82	21144.24
2	Stamps & Regn. Fees (incl. Land Revenue)	2969.08	2841.67	3434.11	3145.94
3	Taxes on Motor Vehicle	1409.27	1558.83	1607.01	1808.78
4	State Excise	3151.63	3422.39	4237.69	4251.40
5	Other Taxes & Duties on Commodities & Services (a to c)	463.00	491.70	700.53	789.53
a	Entertainment Tax (incl. Cable TV Tax)	146.14	150.84	241.28	264.07
b	Betting Tax	10.10	9.88	19.28	33.29
c	Luxury Tax	306.76	330.98	439.97	492.17
B	Own Non Tax Revenue	659.14	632.55	515.40	380.69
1	Interest	379.35	350.52	82.53	81.39
2	Dividends & Profits	0	12.90	12.32	11.28
3	Service Charges & Others	279.79	269.13	420.55	288.02
C	Share in Central Taxes	325.00	325.00	325.00	325.00
D	Non Plan Grants from Govt. of India	1.91	2.95	2580.02	793.72
E	Revenue Receipts (A+B+C+D)	26904.74	27564.40	33645.58	32639.30
F	Net Non Plan Revenue Expenditure	14904.25	15563.19	17963.23	20585.32
G	Balance from Current Revenue (E-F)	12000.49	12001.21	15682.35	12053.98
H	Misc. Capital Receipts (1-2)	-777.86	-1169.64	-2214.27	-2361.99
1	Capital Receipts	4129.30	227.61	83.42	212.49
2	Non Plan Capital Expenditure	4907.16	1397.25	2297.69	2574.48
I	Small Saving Loan	836.50	1764.32	2241.13	1695.53
J	Delhi's Own Resources (excluding opening balance (G+H+I))	12059.13	12595.89	15709.21	11387.52
K	Central Plan Assistance	1075.95	1550.19	1303.27	1706.44
L	Other Grant from GOI	0.00	470.00	50.00	0.00
M	Aggregate Resources for Annual Plan (without opening balance) (J+K+L)	13135.08	14616.08	17062.48	13093.96
N	Opening Balance	1985.74	880.64	1517.06	3644.94
O	Aggregate Resources for Annual Plan including opening balance (M+N)	15120.82	15496.72	18579.54	16738.90
P	Plan Outlay/Expenditure	14240.19	13979.66	14934.60	14103.56
a	Plan	13927.49	13378.95	14145.70	13204.54
b	CSS	312.70	600.71	788.90	899.02
Q	Resources Surplus (O-P)	880.63	1517.06	3644.94	2635.34