

BUDGET SPEECH

2012-2013

[PART A]

Hon' Speaker, Sir,

I rise to present the budget for the financial year 2012-2013.

2. We are on the cusp of momentous change. The year 2012-2013 is the first year of a new plan period, the Twelfth Five Year Plan (2012-2017). During this period we look forward to Delhi emerging as a 'Caring City'; a city in which the citizens proudly aspire to and secure a future for themselves and their children. We will continue to look more intensely at the educational, health, and financial needs of the weaker sections. We would like to see Delhi developing into a 'Good City' to live in, and; a city that caters to the needs of all sections of society. We will pay special attention to qualitative improvements of the vastly upgraded physical infrastructure and expansion of the roads, power, metro, and water networks. Finally, the Twelfth Plan period should see the city fulfilling the needs of the productive and creative citizenry. We shall be looking to the training, skill up-gradation, and financing needs of the youth of Delhi. Therefore, the underpinning principles of our vision for Delhi in the

new five year plan is of a 'Good, Productive, and Caring city.' We will reach out to all those who toil ceaselessly and help to build this city.

3. Sir, even while presenting the budget for the year 2011-2012 before this august house, it was my hope that every citizen of this great city would be an active participant in the planning process. Sir, I am happy to inform that we have substantially achieved this objective. We have greatly benefited from the suggestions and inputs received from the citizens of Delhi, academicians, academic and research institutions, non-governmental organizations, and elected representatives.
4. It would be recalled that the underlying theme of the Eleventh Five Year Plan 2007-2012 was 'Development with a Human face'. We have successfully implemented the said plan. We utilized more than 98 percent of the approved plan outlay and substantially achieved the physical targets in crucial sectors. In fact, in the financial year just concluded, the utilization of plan funds touched almost 98 percent, despite the fact that, due to elections to local bodies, there was an inevitable slow down in the last two months of the financial year.

5. Sir, in the Twelfth Plan, we have proposed an outlay of ₹90,000 crore compared to ₹54,799 crore in the Eleventh Plan. The proposed plan outlay for the Twelfth Plan represents a 64 percent step up over the Eleventh Plan. We intend to increase the plan outlay in the social services sectors by 111 percent compared to the Eleventh Plan.
6. Sir, it is a matter of record that my Government has emphasized administrative reforms and new socio-economic initiatives. Hon' members will agree that there is a visible impact of the reforms and initiatives in the city landscape, human development parameters, and improvements in the physical and civic infrastructure in the last thirteen years.

Economic Scenario

7. The Gross State Domestic Product of Delhi at current prices increased from ₹26,449.6 crore in 2010-11 to ₹31,393.4 crore in 2011-2012, registering a growth of 18.7 percent. In real terms the growth in GSDP of Delhi in 2011-2012 at 11.3 percent far exceeds the 6.9 percent at the national level. The real growth rate in GSDP of Delhi in the Eleventh Plan was 11.46 percent, compared

to 7.94 percent at the national level. Thus, the economy of Delhi is substantially on the path of economic growth.

8. The contribution of Delhi to the national level GDP is about 3.8 percent, while the share of Delhi in the total population of the country is 1.4 percent. The per capita income of Delhi in 2011-2012 is estimated to be ₹1.76 lakh as against the national level figure of ₹60972. The per capita income in Delhi is about three times the per capita income at the national level. In respect of per capita income, among all the states and union territories, Delhi ranks second.

Price Situation

9. The rate of inflation based on the consumer price index for industrial workers in Delhi during 2011-2012 was 7.83 percent. It was 10.11 percent in Mumbai, 7.98 percent in Chennai and 8.33 percent at the national level. Although, the increase in retail prices of essential commodities was a national phenomenon, the rate of inflation in Delhi in 2011-2012, as compared to other metropolitan cities and at the national level, remained

the lowest due to constant monitoring and market interventions.

Financial Position

10. Tax collections have registered a growth of 21.2 percent in 2011-2012 despite the global economic crisis. The adverse impact of economic slowdown is reflected in the VAT collections that registered a moderate growth of 14 percent in 2011-2012. However, hard policy decisions and better tax administration is reflected in the impressive growth in other areas such as the 65 percent increase in Stamps and Registration Fees, 48 percent in Motor Vehicle Tax and 25 percent in State Excise. Overall increase in tax collection has, as a matter of fact, benefited even NDMC and the erstwhile MCD, and it will continue to benefit the newly created three corporations. The proposed target in the current fiscal year (2012-2013) for tax collection is ₹26150 crore. This would represent a growth of 31 percent over the tax collection of ₹19972 crore in 2011-2012. Tax-GDP Ratio which was 6.36 percent in 2011-2012 is expected to increase to 7 percent in 2012-13.

Debt Position

11. Sir, to meet our development expenditure needs, our endeavor is to mobilize more revenue and reduce our dependence on small saving loans. The budget for the current year places zero dependence on small saving loans. I am happy to inform the House that our outstanding loan, which was ₹30140 crore as on March 31, 2011 has been reduced to ₹29608 crore as on March 31, 2012. We expect to further reduce our outstanding debt to ₹28308 crore by the end of the current financial year. Our Debt-GSDP ratio reduced from 16.04 percent in 2007-2008 to 9.43 percent during 2011-2012, which I am happy to say, is the lowest in the country.

Non-Plan Support to Public Utilities

12. The Delhi Jal Board has succeeded in meeting all non-Plan expenditure from its own resources. Neither in 2010-2011 nor 2011-2012 did Delhi Jal Board seek non-plan support from the Delhi Government. Indeed, Delhi Jal Board managed to repay the principal loan amount of ₹81.36 crore to Delhi Government in 2011-2012 against the plan loan received by it during the previous year.

13. Revenue earnings of the Delhi Transport Corporation have also shown some improvement. However, its revenue collections, within the existing fare structure, are not enough to meet its increased non-plan expenditure. I propose to provide DTC a non-plan grant of ₹600 crore to meet its non-plan deficit during 2012-13.
14. Similarly, Delhi Urban Shelter Improvement Board (DUSIB) has very limited finances and its ability to raise resources internally is presently severely restricted. I propose to provide DUSIB too a non-plan grant of ₹60 crore to meet its non-plan deficit during 2012-2013.

Trifurcation of MCD

15. Sir, the newly constituted municipal bodies have inherited the poor financial position of MCD. I propose to provide non-plan loans of ₹1831 crore to the three new corporations besides devolution of funds of ₹2400 crore to local bodies by way of non-plan grant, share in 'Basic Tax Assignment and Incentive for Municipal Reforms' in the current year's budget. This is as per the recommendations of the Third Delhi Finance

Commission. Under plan heads ₹1746 crore is being provided. The total amount earmarked for the three corporations in the current financial year would be ₹5863 crore.

Fiscal Deficit

16. Fiscal deficit of Delhi was estimated at ₹3177 crore in 2011-2012 (Revised Estimate) which is 1.01 percent of GSDP, compared to all- States' estimated figure of 2.2 percent of GDP during the year. The fiscal deficit is proposed to be reduced to ₹2604 crore in 2012-2013.

Budget Estimates for 2012-13

17. Total proposed expenditure for the current year is fixed at ₹33436 crore. This is ₹2466 crore more than the Interim Budget of ₹30970 crore for 2012-2013. The non-plan expenditure is proposed to be increased from ₹15811 crore to ₹18268 crore. This is mainly due to the non-plan loans of ₹1831 crore to the three municipal corporations, additional provision of ₹275 crore for devolution to local bodies as a result of increase in the current year's target of tax revenues, additional provision of non-plan grants of ₹95 crore for cluster

- buses, ₹86 crore for DTC, and ₹60 crore for DUSIB to meet their respective non-plan deficits during 2012-13.
18. While there is no change in the size of the annual plan pegged at ₹15000 crore, the provision for Centrally Sponsored Schemes is being increased from ₹159 crore to ₹168 crore.
 19. Our projected estimate of receipts has increased by ₹1979 crore over ₹ 27552 crore in the interim budget, essentially on account of increase in the tax revenue target by about ₹1840 crore, non-tax revenue by ₹28 crore, capital receipts by ₹102 crore, and grant for CSS of ₹ 9 crore. The total receipts are now pegged at ₹29531 crore.
 20. The proposed budget of ₹33436 crore will be funded out of tax revenues of ₹26150 crore, non-tax revenues of ₹726 crore, capital receipts of ₹728 crore, grant-in-aid from the Central Government of ₹1928 crore and ₹3904 crore from the opening balance of the current year. Thus 94 percent of the proposed budget will be financed from our own resources and 6 percent as grant from the Center.

Major Programs

21. Sir, the Annual Plan–2012-2013, is the first Annual Plan of the Twelfth Plan. Government hopes to touch the lives of citizens in several positive ways. We will deepen and widen the social safety network to cover the vulnerable sections of society. Children, particularly the girl child, have been and will continue to be an area of special attention. Skill up-gradation and opportunities for self-employment shall be an area of focus for government particularly for those belonging to the SC/ST/OBC and minorities category. We will continue our efforts to improve the road infrastructure by upgrading the roads for which the government has assumed responsibility from the erstwhile Municipal Corporation of Delhi. As already announced recently, we intend to make the outer Ring Road totally signal-free. To secure our goals and objectives we will take steps to improve resource mobilization and speed up scheme execution.
22. Our emphasis in the Twelfth Plan shall be on the social services sectors so as to achieve even more inclusive growth. Thus, out of the total proposed plan outlay of

₹15,000 crore, the social services sectors have been allocated ₹9796 crore, accounting for 65 percent of the total plan outlay in 2012-2013 as compared to 59 percent in 2011-2012.

Social Security and Welfare

23. It is said that the test of a civil society is the manner in which it treats its children and the elderly because it is the growing and fading years that make individuals the most vulnerable. This is compounded by gender and caste factors. Thus we have all along been concerned with the condition and fate of these sections. The need to nurture children, assist the youth, and taking care of the elderly have led the government to forge many of its responses and devise several programs.
24. Hon' Members will agree that government has already taken up a number of programs for social security and welfare of the economically weaker and vulnerable sections of society. We will continue to strengthen all such schemes. In the sphere of education, for instance, we have introduced higher rates of scholarships for SC/ST/OBC/Minority students. Provision for payment of stipend of ₹1000 per annum to each student of

SC/ST/Minority from Class-I to Class-VIII in government and government-aided schools has been made. Free supply of text books, cash subsidy for school uniforms ranging from ₹500 to ₹900, Lal Bahadur Shastri scholarship for meritorious students ranging from ₹1000 to ₹2000, and scholarship to minority students are all designed to touch the lives of the most disadvantaged sections of society.

25. The 'Ladli Scheme' that seeks to promote institutional births and female literacy benefited 5 lakh girls. The Matri-Shishu Suraksha Yojana, Janani Suraksha Yojana, and the distribution of free sanitary napkins to more than 7.17 lakh girl students in 708 government and government-aided schools under the 'Kishori Scheme' are all gender sensitive programs. Similarly, the senior citizens of 70 years and above, SC senior citizens of 60 years and above and SC women in distress are entitled to the higher rate of financial assistance of ₹1500 per month.
26. By setting up the Arogya Kosh to provide financial assistance to the EWS households for treatment of critical diseases, in addition to the financial support given to EWS households under Arogya Nidhi, Rastriya

Swasthya Bima Yojana we shall be coming to the aid of citizens at the time of their greatest need for financial assistance. 94 ICDS projects, 10,607 Aanganwadi Centers, and 90 mobile dispensaries for primary healthcare to EWS households are a part of the health package for the economically disadvantaged.

27. Construction of flats by Delhi Government for the rehabilitation of slum dwellers is another program which is being vigorously pursued. Allotment of flats to eligible Scheduled Caste J.J. Cluster households free of cost would assist in providing affordable housing for the EWS.
28. Sir, as you are aware government is facilitating provision of free or subsidized meals through the 'Janaahar' and 'Aap Ki Rasoi' initiatives. It has been decided to further strengthen food security. Therefore, new welfare measures to supplement the efforts are being introduced.
29. Sir, I am very happy to announce the launch of the 'Dilli Annashree Scheme'. Government will provide food subsidy of ₹600 per month in the form of cash transfer to vulnerable households not covered by either BPL cards or food supply under the

Annapurna/Antodaya Yojana. I may remind the Hon' members that the proposed cash transfer of ₹ 600 per month for the food subsidy will be in addition to free education, health insurance, pension to senior citizens, disabled persons and women in distress, assistance for marriage of daughters of widows, low cost housing for the urban poor, and a number of other schemes for the poor. With this, government shall be able to cater substantially to the needs of the poor in the spheres of *roti, shiksha, and swastha*.

30. In the current year about two lakh most vulnerable households would be covered. The food subsidy of ₹600 per month would be transferred directly in the bank account of the senior most female member of the household. I propose ₹150 crore in the current financial year for this scheme.
31. Sir, as per Census 2011, in Delhi about 1.75 lakh households (5.3 percent of the total households) rely on kerosene for cooking. Government has decided to provide one time cash subsidy of ₹2000 to all these households for obtaining an LPG connection and purchase of a gas stove. I propose to provide ₹40 crore in the current financial year, so that we may declare

Delhi as the first kerosene free city in the country with all households having LPG connections. This would be another milestone in our efforts to improve the quality of life in Delhi. We hope to secure the support of Government of India in this endeavor.

32. The emergence of the service sector in Delhi has significantly altered the profile of the employment market. There is an increasing need for trained professionals whose skills match the needs of available jobs. Accordingly, an 'educational hub' that will provide facilities for various professional courses like nursing, ANM, physiotherapy technician, medical lab technician, and radiology technician is proposed to be set up at Bakkarwala. Further, government will also upgrade the skills of 60000 unemployed youth from the vulnerable sections under the Swaran Jayanti Shahri Rojgar Yojana (SJSRY) which will open up several employment opportunities.
33. Sir, the above training and skill up-gradation programs need to be supplemented with opportunities for employment for the Scheduled Castes/Minorities/OBCs. Government has therefore decided to implement a new state level plan scheme to be known as the 'Dilli

Swarojgar Yojana for SC/ST/Minorities/OBCs.’ We will provide loans up to ₹5 lakh to an entrepreneur willing to set up a venture in Delhi. I propose a budget provision of ₹50 crore for this new plan scheme in the current financial year.

34. Sir, for the rescue and rehabilitation of child labor, a new plan scheme will be implemented in the current financial year, for which I propose a budget provision of ₹5 crore. For the treated mentally challenged with no place to go to, we intend to set up five Half-Way Homes at Rohini, Dwarka, and Narela at a cost of ₹47 crore. I propose a budget provision of ₹14 crore in the current year. New homes for the mentally challenged will be set up at Narela to provide accommodation to about 2000 persons. Government has decided to set up a separate juvenile home for children up to the age of 10 years.
35. The government is committed to the equality of opportunity to all citizens and consequentially its responsibility to protect and assure the rights of minorities. Government is particularly concerned about the urgent need to enhance the level of education, health, and employment potential of those communities

amongst the minorities that have lagged behind on human development indicators, highlighted by various studies. Therefore, we intend to open about 150 Anganwadi centers, 15 new Gender Resource Centers (GRC) for women in minority concentration districts, and improve the physical infrastructure and learning environment in all Urdu medium schools. Through Mission Convergence, we intend to start 10 new centers for capacity building of unemployed minority youths to promote employment avenues for them.

36. Sir, for implementation of all on-going and new plan schemes under Social Security and Welfare Sectors, I propose a budget provision of ₹1737 crore for the year 2012-2013 which is 34 percent higher than budget provision of ₹1298 crore in the Annual Plan 2011-12. The budget provision for SC/ST/OBC/Minorities welfare under various schemes is ₹714 crore.

Reforms in Governance

37. Just as in the previous year we took steps to expedite clearances and made major changes in the institutional arrangements for project clearances, we will continue to ensure that project clearances are speeded up. I am

happy to report to this august house that due to strict economy measures we were able to affect a 5 percent savings in non-plan expenditure in the just concluded fiscal year of 2011-2012. In absolute terms this means a saving of ₹680 crore. In view of the increase in non-plan allocation of over ₹2457 crore we shall take required measures to trim non-plan expenditure by instituting a comprehensive economy drive.

38. These efforts will need to be supplemented by the local bodies too. Unless the newly created local bodies focus on their core responsibilities, curb wasteful and unnecessary expenditure, and make sincere efforts to mobilize resources of their own, our reforms in the sphere of municipal governance to ensure effective delivery and partner a meaningful development effort may not yield required results. I am confident the local bodies will take the required steps in this direction. In fact the introduction of such reforms will also enable them to claim funds from the incentive grant fund earmarked for them over the years but lying unutilized.
39. We have taken up the modernization and up-gradation of the thirteen sub-Registrar offices. The office at Mehrauli has been taken up at a cost of ₹ 5.82 crore as

the first model sub-Registrar office. It will be commissioned on July 1, 2012. Rest will be completed by the year end, and a provision of ₹49 crore has been kept in the current year for this project.

40. Sir, being committed to improving the quality of public services within a well defined time frame, a new legislation, the Delhi (Right of Citizen to Time-bound Delivery of Services) Act, 2011 was enacted and came into effect on September 15, 2011. This Act ensures time-barred delivery of services to citizens failing which the officials concerned will be liable to pay the prescribed penalty. 96 services have been covered under this Act benefiting the general public to obtain time-barred delivery of services. More services are proposed to be brought under the ambit of this Act.

Health

41. Sir, Government has taken a number of steps to provide preventive, curative and rehabilitative healthcare services to the citizens of Delhi by creating a vast healthcare infrastructure in the form of health centers, special clinics, super-specialty healthcare institutions, public health programs with preventive and curative measures. With the implementation of these programs

we could increase bed-population ratio in Delhi from 2.25 beds in 2004 to 2.55 beds in 2011. Our approach in the Twelfth Plan will be to increase the bed-population ratio to 3 beds per thousand population.

42. The requisite number of additional hospital beds will be provided in both the public and private sector. In the public sector, Government of Delhi are planning to add 2900 new hospital beds with the construction of 06 new 200 bedded hospitals, one new 100 bedded, a 750 bedded new hospital-cum- medical college, and the expansion of various existing hospitals with the construction of additional blocks. Construction of new hospitals will be started at Burari, Ambedkar Nagar, Hastal, Siraspur, Madipur and Sarita Vihar.
43. The second phase of the Delhi State Cancer Institute is proposed to be taken up in the current financial year so that its bed capacity may be increased from 150 to about 300 beds. One more center of DSCI (West) will be set up at the Super Specialty Hospital, Janakpuri.
44. Sir, Deep Chand Bandhu Hospital at Ashok Vihar, super- specialty hospitals at Janakpuri and Tahirpur will be made operational in the current financial year. This

will add approximately 1150 beds to the existing capacity.

45. The Maulana Azad Institute of Dental Sciences, the Institute of Human Behavior and Allied Sciences, Chacha Nehru Bal Chikitshalaya, and Institute of Liver and Billiary Sciences have all been accredited by National Accreditation Board of Hospitals.
46. Last year I had announced the new plan scheme 'Chacha Nehru Bal Sehat Yojana.' Comprehensive health checkups of around 1.78 lakh students up to 14 years of age in government and government-aided schools have been completed. Referral services and subsequent medical assistance is also part of this scheme. A de-worming drive covering over 30 lakh children of 2-18 years of age, including school going and out of school children, was undertaken. The de-worming campaign shall be an annual feature. Government will launch a weekly iron and folic acid supplementation program for all adolescents between 10-19 years of age studying in Delhi government schools. I propose a budget provision of ₹100 crore in 2012-2013 for Chacha Nehru Bal Sehat Yojana.

47. A diabetes and hypertension screening program for urban slum dwellers was launched. About 623 slums covering 58 Assembly Constituencies have already been covered.
48. We propose to introduce from this year improved immunization cover for children by providing pentavalent vaccine which is a 5 in 1 vaccine and includes diphtheria, pertusis, tetanus (DPT), hepatitis B and haemophilus influenza Type B. This vaccine will not only reduce the number of injections or pricks to be given to a child from 3 to 1 but will also protect the child against diseases such as pneumonia, meningitis and ear infections. This in turn will facilitate achievement of our objective of reduction in the Infant Mortality Rate (IMR), and the under 5, mortality rate.
49. Sir, people living with HIV/AIDS require lifelong treatment to prevent severe infections. They also need extra nutrition and balanced diet to cope with their compromised immune system. Government has decided to give financial assistance of ₹1000 per month to poor persons suffering from HIV/AIDS for anti-retroviral treatment. Orphaned children infected with HIV/AIDS will be given ₹2050 per month and those affected by

HIV/AIDS ₹1750 per month. I propose a budget provision of ₹5 crore for this scheme in 2012-2013.

50. For specialized treatment of life threatening diseases EWS households face lot of problems due to very high costs. Government have constituted Delhi Arogya Kosh with a grant of ₹110 crore in 2011-2012 to provide financial support for treatment of critical diseases to EWS households with an annual income of ₹1 lakh. I propose to raise the eligibility income level from the existing ₹1 lakh to ₹2 lakh to benefit more needy persons.
51. Sir, at present 24 dialysis machines are available in hospitals of Delhi Government and about 8000 patients need dialysis services in Delhi. Thus, our government decided to setup 100 dialysis machines spread over four locations under PPP mode. The dialysis centers shall be functional in the current financial year.
52. At present CAT is providing ambulance service through its fleet of 35 Ambulance vans. This fleet will be expanded with purchase and addition of 70 new ambulances in the current year.
53. I propose a plan outlay of ₹2124 crore for the health sector which is 14.16 percent of total plan outlay in

2012-2013 compared to 12.8 percent in 2011-2012. The increase in the health sector outlay is 16.6 percent in 2012-13 over the previous year.

Education

54. Sir, with the huge effort made to expand and improve educational infrastructure, the literacy rate in Delhi increased from 75.29 percent in 1991 to 81.67 percent in 2001 and further to 86.34 percent in 2011. The number of literates in Delhi increased from 59 lakh in 1991 to 97 lakh in 2001 and further to 145 lakh in 2011.
55. The priority accorded to education by government is indicated by the huge increase in plan expenditure under this sector. The plan expenditure on education in Delhi has increased from ₹337 crore in 2004-2005 to ₹1313 crore in 2011-2012, which represents nearly a four time increase. I propose a budget provision of ₹1901 crore for this sector which is 12.67 percent of total plan outlay in 2012-2013 compared to 9.44 percent in 2011-2012.
56. Government is committed to provide access to education to every child at his/her door step. Twenty-six schools have been upgraded and 05 schools have been

converted into Sarvodaya Vidyalayas. New streams have been added in 44 Senior Secondary Schools. At present there are 961 Delhi Government schools, including 377 Sarvodaya Vidyalayas. Financial assistance is also being provided to 216 aided schools. About 15 lakh students are enrolled in government schools whereas about 1.70 lakh are in aided schools.

57. Sir, Delhi took the lead in implementing the Right to Education Act to provide free and compulsory education to all children in the age group of 6 to 14 years. Government of Delhi is reimbursing the cost of all EWS students admitted to public schools. More than 14,000 EWS category students got admission to private schools in 2011-2012 under free ship quota. In 2012-2013 about 20,000 EWS students are expected to get admissions in private schools in Delhi.
58. At present students of Class I to VIII get free text books and uniform subsidy. I propose a cash subsidy for purchase of writing material/stationery of ₹300 per annum to students of Class I to V and ₹400 per annum to students of Class VI to VIII students in government and government-aided schools. This new scheme will

benefit about 8 lakh students with an annual expenditure of ₹30 crore.

59. Rajkiya Pratibha Vikas Vidhyalayas of Delhi Government are today among the best schools in Delhi securing 100 percent results at the secondary and senior secondary level. In 2012-2013, 'smart classes' will be started in one section of each class from the 9th to 12th in all Rajkiya Pratibha Vikas Vidyalayas.
60. A hundred sites have been identified for the construction of new school buildings. Possession of 90 sites has already been taken. Construction of 29 new school buildings and 13 semi-pucca structure (SPS) school buildings will be started in the current financial year.
61. Construction of buildings for Delhi government funded colleges will be a major program in the higher education sector. Construction of buildings for Deen Dayal Upadhyay College at Dwarka, Shaheed Sukhdev College of Business Studies at Rohini, Maharishi Balmiki College of Education at Rohini, Bhagni Nivedita College at Kair are proposed to be started during this financial year.

62. Similarly, work on the second campus of Guru Govind Singh Indraprastha University (GGSIP) at Surajmal Vihar will be taken up during the year 2012-2013.
63. Sir, we started the 'Yuva Nirman Scheme' with the intention to provide half of the tuition fees of professional courses to the EWS category of Delhi State Universities students. Till now, reimbursement is allowed to the EWS students having family income up to ₹ 1lakh per annum under this scheme. I propose to increase the eligibility income of a family from ₹ 1 lakh to ₹ 2 lakh from the current academic year. I also propose to increase the award amount from ₹ 5000 to ₹ 10, 000 to the meritorious students of the state universities from this year.
64. Sir, Delhi Institute of Hotel Management is now functioning in its own complex. In view of the growing demand for trained and suitable manpower for hospitality and tourism sector, the intake capacity of B.Sc. course has been increased from 60 to 120 students. This institute got the National Award for Best Placement Performance for the year 2010-2011 from the Government of India, Ministry of Tourism.

65. Indira Gandhi Institute of Technology will be upgraded and restructured as Indira Gandhi Technical University for Women in the current financial year through a bill proposed to be introduced in this session.

Housing & Urban Development

66. Sir, as per the report of Census 2011, about 99 percent of the households have electricity connections in Delhi, compared to 67 percent at the national level.
67. About 90 percent of the total households are using LPG for cooking as compared to 68 percent in 2001. As I mentioned earlier, our new plan scheme to provide subsidy for getting LPG connections to about two lakh households will make Delhi the first kerosene free city in the country.
68. The first allotment of 500 EWS houses, constructed under JNNURM, will commence soon. This process of allotment of EWS houses will thereafter continue till all the already constructed 15000 EWS houses have been allotted to the JJ cluster households.
69. Development of rural and urbanized villages shall be another priority program in this plan period. Taking into account the peculiar problems of urbanized villages in Delhi, Government have decided that Urban

Development department will approve and monitor development works in urbanized villages. I propose ₹53 crore in 2012-2013 for providing basic civic amenities in the urbanized villages and ₹192 crore for rural villages.

70. Sir, my Government is committed to regularize all eligible unauthorized colonies within the framework of the guidelines issued by the Government of India. This is a time consuming process in view of various requirements stipulated in the guidelines that are being dealt with by a number of departments and agencies. The regularization process of unauthorized colonies also entails provision of all basic civic services. Government has invested ₹2597 crore till March 2012 for providing civic services in these colonies. I propose an amount of ₹631 crore for the purpose in this financial year. If required, the amount will be suitably enhanced to ensure that development work in the unauthorized colonies does not suffer for want of funds.
71. Sir, the erstwhile Slum Wing rehabilitated about 65000 households from various JJ clusters in 29 Slum Rehabilitation Colonies wherein plots of 25 square meters, 18 square meters, and 12.5 square meters were

allotted. To improve the civic services in all these Slum Rehabilitation Colonies ₹85crore were provided in 2011-2012 to Delhi Urban Shelter Improvement Board. The works are in progress and will be completed by the end of this financial year.

72. Sir, with the growth of population in this mega city, the number of the shelter-less is also increasing. DUSIB has set up 150 Night shelters in all parts of the city. 66 Night Shelters are functioning in permanent structures and 84 in temporary structures.
73. Further, DUSIB has been assigned the task of significantly improving the common services and facilities in 'katras'. I propose a provision of ₹ 5 crore for this purpose.
74. Sir, we believe that people's participation is a crucial and essential requirement for development. We started the 'My Delhi I Care Fund Program' so that development works required in each colony, habitat, and locality may be suggested by the people through their RWA. In view of the increasing number of requirements being proposed by Resident Welfare Associations in each District, I propose to increase the provision for this scheme from ₹5 crore in 2011-2012 to

₹45 crore in 2012-13. From this financial year, each district can execute works annually up to ₹5 crore. This should increase substantially the number of development works that can be taken up in each colony in a year.

75. A large number of families are residing in about 44 JJ Resettlement Colonies. Government has decided to grant confirmed ownership rights to the original allottees. Necessary recommendation is being made to the Government of India. Government is also seriously looking into issues involved in the grant of similar rights to other occupants.

Transport

76. On completion of the Signature Bridge at Wazirabad, Delhi will surely get an impressive iconic structure. The Signature Bridge project is slated for completion by December 2013. One carriage way of the flyover has been opened for traffic and the other carriage way will be thrown open to traffic in July 2012.
77. Sir, the erstwhile Municipal Corporation of Delhi could not maintain its road network. As such, Government took over 512 roads of 60 feet and above width having a

total length of 645 kilometers. Now PWD will maintain and improve the condition of all such roads for which a budgetary provision of ₹250 crore has been made in the current financial year.

78. Phase-II of Barapulla Nallah Road by-pass has also been sanctioned recently. This 8 kilometers long road will further decongest the Ring Road and provide an important link to INA Market. We would like to access funding under JNNURM for which an amount of ₹240 crore has been proposed.
79. Sir, with the construction of a number of flyovers and RUBs, the Ring Road is now almost a 'Signal Free Road', except a small patch between Prembari Pul to Azadpur. As you are aware, it has been decided to make the Outer Ring Road also a 'Signal Free Road' with the construction of flyovers, RUBs and partly elevated road section between Vikaspuri and Wazirabad involving a cost of about ₹2400 crore. This project will be started in the current financial year.
80. Sir, we have decided to replace all blue-line buses by the Corporate Sector Bus Operator System (cluster buses). About 265 corporate sector buses are serving the commuters of Delhi and their number is proposed to be

raised to 1000 buses by the end of this financial year. Sir, I would like to inform the Hon' members that Delhi Government got the National Award for the "Best PPP Initiative in Urban Transport" for introduction of this Corporate Sector Bus Operator Scheme.

81. DTC has a fleet of 3775 new low floor buses. It also has a fleet of more than 2000 old buses which we are planning to replace in phases. In the current financial year we propose to purchase 600 more new low floor buses to replace the old DTC buses.
82. Sir, work on the third Phase of Delhi Metro started in 2011-2012. With the completion of this phase, new metro lines of about 103 kilometers will be added to the existing Delhi Metro network making for a total of about 300 kilometers. The longest metro project from Mukundpur to Yamuna Vihar will connect a large number of presently unconnected localities.
83. To further improve the Multi-Modal Public Transport System we have decided to take up the first Mono Rail Corridor Project in the Trans Yamuna area. It will be developed by the Delhi Metro Rail Corporation.

84. I propose a plan outlay of ₹3372 crore for the transport sector in 2012-2013, which is 22 percent of the total plan outlay.

Water Supply

85. Sir, as per the Census-2011 report, about 81 percent of the total households have piped water supply facility in Delhi against 75 percent in 2001. On the sanitation front also the impact of development is quite visible as about 90 percent of the households had toilet facilities in 2011, compared to 78 percent in 2001.
86. We are continuing our efforts to resolve the inter-state issues involved in the completion of the pucca channel from Munak to Haiderpur. The work for construction of two new Water Treatment Plants at Dwarka and Okhla is now at the stage of completion. On completion of the pucca parallel channel, the raw water saved will be made available to these new water treatment plants so as to improve the water supply position in Dwarka and other South Delhi localities.
87. Sir, the Chandrawal Water Treatment Plant is the first Water Treatment Plant of the city. Government of Delhi have approved the project of Delhi Jal Board for

renovation of this plant as an Externally Aided Project involving an investment of more than ₹2000 crore. Japan International Cooperation Agency (JICA) has agreed to fund this project along with technical support. On completion of the project, the water supply position will improve substantially.

88. Sir, a number of measures have been taken to reduce the level of non-revenue water. One of the major programs is to convert all non-metered water connections to metered connections. Out of the first lot of 2.5 lakh water meters, 2 lakh water meters have already been procured and installed. Action to procure 8 lakh more water meters has been initiated. The selected firms are required to supply and maintain the water meters for seven years.
89. Improvement with rationalization of water distribution system is a new program for 2012-2013. DJB will take up selected projects under this program for revamping of existing water supply, transmission, and distribution networks under PPP.
90. I propose a plan outlay of ₹1800 crore for the water supply and sanitation sector in 2012-2013. This is 12

percent of the total plan outlay and 15 percent higher than the previous year.

Environment

91. Sir, total control of pollution in the Yamuna will be an important program in the Twelfth Plan. The work of laying interceptor sewers along three major drains has started. On completion of the project and YAP-II schemes the discharge of pollutants will come down considerably.
92. Work of laying sewerage systems in villages and unauthorized colonies is in progress. With the covering of more and more villages and unauthorized colonies by sewerage system, the discharge of untreated waste water in the Yamuna will be checked. With the assistance of the Government of India, DJB has identified projects worth ₹1600 crore to be implemented under YAP- Phase III.
93. New Sewage Treatment Plants of 25 MGD at Yamuna Vihar, 45 MGD at Kondli and 30 MGD at Okhla will be commissioned during this financial year leading to an increase in the total sewerage capacity from the existing 514 MGD to 614 MGD by March 2013. Expansion of

Chilla and Delhi Gate Sewage Treatment Plants has been initiated so as to treat the total sewage discharged from the command areas of these two plants.

94. Sir, I wish to sincerely thank the citizens of Delhi who have shown enormous interest and contributed to the 'A Million Tree Campaign-2011'. With their cooperation and support we planted more than 1.4 million saplings against the target of 1 million. It is a matter of pleasure to place on record that, at present in Delhi, there are about twenty thousand small, medium, and large parks and gardens, and 40 City Forests.
95. Sir, students and children have played a leading role in protecting the environment in Delhi. It was possible through multifarious campaigns and activities undertaken by the 2000 eco-clubs. I propose to increase the annual financial support to each Eco-club from ₹10,000 to ₹20,000 in the current financial year.
96. Mahatama Gandhi Institute for Combating Climate Change (MGICCC) is proposed to be re-organized and re-structured as Mahatama Gandhi Institute of Urban Sustainability (MGIUS) for which a new bill is proposed to be introduced before this august House.

Industries

97. Sir, Government has decided to develop a knowledge-based Industrial Park near Baprola in an area of about 77 acres at a cost of ₹1800 crore. This project will cater to the specific needs of the information technology sector, ITES, media, research and development, gems and jewels and business services. We expect the work to start in the current financial year.
98. Sir, about 22465 new industrial plots have been allotted by DSIIDC at Bawana, Bhorgarh, Narela for allotment to the industrial units functioning in non-confirming areas. Construction of industrial units on 85 percent of the allotted plots has been completed at Bawana Industrial Estate.
99. A Green Field World Class Skill Up-gradation Centre is proposed to be developed at Jaunapur in collaboration with the Government of Singapore. A large number of educated unemployed as well as other workers will get facilities for upgrading their skills, and also enabling them to compete with the best technical manpower in the world.

100. Sir, DSIIDC has been assigned the responsibility to improve the maintenance of industrial estates. I propose a budget provision of ₹50 crore in the current financial year for maintenance of industrial estates.
101. I have briefly tried to spell out the principles, goals, and thrust areas that shall guide us in the next five years. This blueprint will also serve as a benchmark for assessing our progress over the years. What is clearly evident is that we intend to build a caring, compassionate, congenial, and productive city that caters to the needs of all citizens. It will be a world class city built to last.
102. I now turn to part B of my speech.

TAX PROPOSALS

[PART B]

Part B

103. Sir, in Part A I have spelt out the programs and policies of the government, as also the approach to the Twelfth Plan. To build the city of our dreams the government will need to raise resources. For instance, the need to provide a large sum as loans to the three municipal corporations to bail them out of the financial mess they inherited has escalated the non-plan requirements enormously. It is also necessary to fulfill our commitments toward welfare schemes. This clearly imposes on us the duty to take some hard decisions that cannot be postponed.

104. Accordingly, there will be a stress on focused enforcement, attention to arrears, drives against bogus registrations and fraudulent refund claims, expeditious disposal of appeals, and increase in the number/percentage of D-VAT audits. Measures for checking and preventing leakages and evasion of tax revenue shall also be introduced.

105. A similar effort would be needed from the municipal corporations to rationalize their revenue bases. I would appeal to them to undertake a serious review of their

resource position. They should be looking to lesser and lesser dependence on the state government just as we have reduced our dependence on the central government.

106. Sir, along with this drive to streamline tax administration, it is our earnest endeavor to simplify procedures, maintain transparency, and to move toward e-governance in all fields. The filing of sale and purchase details in physical form has been completely dispensed with, making it easier for the dealers to file returns from the comfort of business premises or even from home at any time. Facility of online payment has been extended to all dealers through 17 banks authorized for the purpose. More banks are being added for the e-payment facility during the current year to provide a wider choice to our dealers. Sir, for the convenience of the traders, we shall completely dispense with the physical issuance of the statutory forms needed by the inter-state buyers, during the current year.

107. Sir, at present, the price of petrol in Delhi is the lowest among all the metro cities and lower compared to the

rates in the neighboring states of Haryana and UP too. I have deeply considered the matter and am of the view that the citizens of Delhi need to be provided some relief. Hon' members would recall that earlier too we had given relief to the people when there was an increase in the price of diesel, by exempting VAT on the increased component of the price of diesel. Similarly, I propose to exempt the recently announced increase in the price of petrol from the levy of 20 percent of VAT. This would cushion the impact of the increase to a considerable extent.

108. Sir, our government is committed to discourage the consumption of tobacco and tobacco products which is one of the major causes of many dangerous diseases. With this intention, last year government had levied VAT @ 12.5 percent on unmanufactured tobacco, bidis and tobacco used in manufacture of bidis and hooka tobacco. Now, I intend to raise VAT on these products further to 20 percent to bring these at par with tobacco and gutka which are already taxable @ 20 percent.

109. Sir, in the preceding year, the Union Government had exempted textiles from the levy of Additional Duty of

Excise and thereby state governments were mandated to levy VAT on these items. We did not levy VAT on textiles, barring a few exceptions last year. This is now unsustainable. At the same time, I do not propose to place any burden on the weaker sections of society. I, therefore, intend to exempt all kinds of textiles costing up to ₹300 per meter; piece or set costing up to ₹ 600, and sarees up to ₹ 1000. All textiles above these limits shall be taxed @ 5 percent. However, khadi will continue to remain exempted.

110. Mr. Speaker, Sir, the liberal use of cups and glasses made of plastic on a 'use and throw' basis is not only causing environmental pollution but is also a menace to our sewerage system. To discourage their use, I intend to enhance VAT on cups and glasses made of plastic from the existing 5 percent to 12.5 percent.

111. Our government has already exempted VAT on 'blood filters (lucocyte filters)' giving some relief to patients of thalassaemia. Now, I propose exemption of VAT on 'blood bags', an item which is currently taxable @ 12.5 percent, so as to reduce the cost of blood storage and transfusion.

112. Sir, I propose to exempt VAT on mahawar, hairpins, hairbands, hairclips, safetypins and saree falls. I also propose exempting VAT on 'Juna', used in kitchens for cleaning of utensils.
113. We respect the religious sentiments of all citizens. I have noticed that there are certain commodities which are generally a part of our religious ceremonies and festivals and which are taxable @ 5 percent. These include roli, kirpan, prasadam by religious institutions, sacred thread and misri, patasha as part of prasad. I propose to exempt all from the levy of VAT.
114. Sir, for the welfare of the kids, I propose to exempt VAT on tricycles and kites. In addition, for the school going children geometry boxes, colour boxes, crayons and pencil sharpeners, presently taxable @ 5 percent, shall also be exempt.
115. Sir, since the introduction of the VAT system in Delhi we have continuously forgone VAT on Compressed Natural Gas (CNG) used in the transport sector though the same should be taxed @ 12.5 percent as per the recommendations of the Empowered Committee of State Finance Ministers. I propose to levy VAT at a

moderate rate of 5 percent on CNG used in the transport sector. It is relevant to mention here that the neighboring states of UP and Haryana are already levying VAT @ 12.5 percent and 5 percent respectively on CNG.

116. Sir, some traders are evading VAT on the sale of inverters which are taxable in Delhi @ 12.5 percent by reflecting the same to be sales of UPS systems in their sales invoice. The sale of UPS systems and their parts attracts VAT of 5 percent only. It would not be out of context to mention here that most of the components/parts used in manufacturing of inverters and UPS systems are identical. Therefore, to bring uniformity and clarity, I propose to levy VAT on UPS systems and their parts @ 12.5 percent.

117. Sir, I also intend to allow exemption of VAT on plastic, rubber, and rexene footwear having MRP less than ₹500 per pair provided the MRP is indelibly marked or embossed on the footwear itself. This too will give some relief to the ‘aam- admi’ of Delhi.

118. To expand the scope and role of e-governance in the state and recognizing the need of the citizen to

access services anytime, anywhere in an efficient, reliable and transparent manner, the Government have initiated the “Excise Supply Chain Information Management System” (ESCIMS). The system would enable tracking of every bottle of liquor from the distillery to the point of sale. This, in turn, will enable the department to curb leakages and evasions of revenue.

119. The government proposes to rationalize and streamline implementation of the Court Fee Act, 1870. The rates of fees were fixed long back and have lost their relevance in present day context. The government is also considering introduction of electronic mode for facilitating the payment of court fee. Besides it is proposed to rationalize the circle rates to curb the influence of black money in real estate transactions. As already mentioned, the rationalization of circle rates will benefit the municipal corporations also.

120. It is clear that we need to raise resource on a much larger scale than we had visualized in the Interim Budget. Despite this, Sir, I have tried to provide relief to

as large a cross-section of citizens as was possible. I have also kept fresh levies to the bare minimum.

121. Sir, I commend the budget for consideration of the House.