

BUDGET SPEECH
2009-2010

Hon'ble Speaker, Sir,

1. I rise to present the budget of our Government for the year 2009-10.

2. Sir, I would first of all like to express my gratitude to the citizens of Delhi who have whole-heartedly supported the approach of our Government for development of this Mega City based on the strategy of people's participation in governance or "Bhagidari".

3. Sir, when citizens of Delhi elected our Government for the first term in 1998, we managed to successfully implement all major projects/schemes of the 9th Five Year Plan (1997-2002) in a targeted manner and utilized Rs.13465 crore in 9th Five Year Plan as compared to plan expenditure of Rs.6208 crore in 8th Five Year Plan (1992-97). Subsequently we formulated the 10th Five Year Plan (2002-2007) of Delhi. The citizens of Delhi supported our approach for development of Delhi and elected our Government for a second term in 2003.

4. Sir, during the second tenure of our Government all projects/schemes approved for the 10th Five Year Plan were implemented as per schedule and plan investment was raised to the level of Rs.22646 crore. We prepared the 11th Five Year Plan (2007-2012) of Delhi with a target of utilizing more than Rs.45000 crore for improving civic infrastructure and services with a view to making Delhi a Global City.

5. While formulating the 11th Five Year Plan (2007-2012), as described in the Approach Paper, we decided to undertake development with a human face. The citizens of Delhi accepted this approach and elected our Government for a third consecutive term, to serve them with a distinct record in the democratic set up of Delhi.

ECONOMIC SCENARIO

6. The Gross State Domestic Product [GSDP] increased from Rs.1,25,282 crore in 2006-07 to Rs. 1,43,911 crore in 2007-08 indicating a growth of 15 %. The GSDP at constant prices in Delhi also registered a growth of 12.5% in 2007-08 as compared to 9% at the national level indicating the strong and vibrant economy of the National Capital Territory.

7. The per capita income of Delhi at current prices increased from Rs. 70,238 in 2006-07 to Rs. 78,690 in 2007-08 registering a growth of 12%. The per capita income at the national level was Rs.33,283 in 2007-08. The per capita income in Delhi is more than double that of the national average.

8. With the increasing contribution of the secondary sector in the State economy of Delhi, the Govt. has decided to revise its industrial policy with the objective to promoting high tech non-pollutant and environment friendly industries and economic activities.

PRICE SITUATION

9. The increase in retail prices of essential commodities in Delhi was lowest among the Metropolitan cities during 2008 due to constant monitoring and effective and timely measures for prevention of any undue increase. The rate of inflation as per Consumer Price Index during 2008 in Delhi was 7% while it was 7.6% in Calcutta, 7.5% in Mumbai, 8.9% in Chennai and 8.4% at the national level.

TAX COLLECTION

10. Mr. Speaker Sir, presently it is a very crucial time particularly for the financial sector when the global economic slowdown has had an adverse impact on a number of sectors. Our Tax collection has also been affected due to this economic slowdown. However, with concerted efforts we could collect total tax revenue of Rs.12180.70 crore in 2008-09 with a growth of 3.38% against Rs.11782.80 crore collected during the previous year. The impact of economic slowdown is noticeable more on Stamps and Registration Fees, Motor Vehicles Tax and Luxury Tax, which have registered negative growth during the year. In case of collection of VAT and State Excise, we have achieved growth of 10.13% and 9.20% respectively. The Own Tax collection is budgeted at Rs.13586.00 crore for 2009-10 (BE) with a growth of 11.5% over the previous year.

FISCAL POSITION

11. The Hon'ble Members are aware that our Govt. has implemented the Revised Pay Rules, 2008 which has resulted in total additional financial liabilities of about Rs. 3000 crore for the Govt. Further, there has been substantial reduction in collection of Small Savings as in the entire country. As a result the flow of Small Savings

Loan from the Govt. of India drastically reduced from Rs.4002 crore in 2006-07 to Rs.746 crore in 2007-08 and Rs.429 crore during 2008-09. In this scenario, I hope the Hon'ble Members will agree with me that some financial strain is inevitable. We shall continue our efforts towards rationalization and reform of public expenditure.

PLAN OUTLAY AND EXPENDITURE 2008-09

12. Sir, while seeking vote on account for the current year on 25th February, 2009, I have submitted that Revised Plan Outlay for the year 2008-09 was retained to the B.E. level of Rs.10,000 crore. Plan Development has been the cornerstone of our vision of development of Delhi. The plan outlay has been virtually doubled by us during the last 3 years from the level of Rs. 5200 crores in 2006-07 to Rs. 10,000 crores in 2008-09 and 2009-10. As recommended by Chanakya, we have followed careful planning and systematic implementation - (*Purvam Nishchitya Pashchat Karyamarabhet*),

13. With the system of constant monitoring of plan performance and careful expenditure management through out the year, 96% of the approved/revised plan outlay could be utilized during the year. Due to prudent

expenditure management, we have achieved more even pace of expenditure throughout the year and prevented the rush of expenditure in the last quarter, specially in the month of March. The plan expenditure in the month of March 2008 as well as March 2009 has been only about 13%, which places Delhi in a unique position in the country.

BUDGET ESTIMATES FOR 2009-10

14. Sir, I have presented the estimates of receipts and expenditure for the year 2009-10 while seeking vote on account for the current year. We do not contemplate any change in these estimates. I, therefore reiterate that the budget estimates of total expenditure during the year 2009-10 is Rs.23,043 crore. It includes Rs.10,000 crore as plan outlay and Rs.110.83 crore plan outlay for Centrally Sponsored Schemes. The balance of Rs.12,932.17 crore is for non-plan expenditure. The budget will have revenue expenditure of Rs.13,703.31 crore and capital expenditure of Rs.9339.69 crore. The proposed expenditure will be funded from revenue receipts of Rs.16156 crore, share in central taxes of Rs.325.00 crore, Central Plan Assistance of Rs.2418.69 crore and other receipts of Rs.4142.83 crore.

15. Sir, now I will touch upon the important projects & policies proposed to be implemented during the year 2009-10.

TRANSPORT

16. The work on 9 corridors of second phase of Delhi Metro is progressing as per schedule. Two corridors of Shahdara-Dilshad Garden and Delhi University-Jahangirpuri have already been completed and opened for traffic well before the scheduled target dates. Dwarka-Indraprastha Corridor has also been extended upto Yamuna Depot. All 11 corridors of Phase II will be completed before October 2010 and Delhi Metro will provide its services in the network of 185 Kms spread in all directions of the city.

17. In addition to 650 new low floor buses added in DTC fleet during last two years, purchase order for 2500 more new low floor/Semi low floor/ Air-Conditioned and non-Air Conditioned buses has been placed. Government of India has also agreed to provide 35 % of the cost for purchase of 1500 more new buses for DTC under JNNURM.

18. Flyovers at Mangolpuri, Mukarba Chowk, Nangloi-NH 10, Road over Bridge [ROB] on Road No.63 and road under pass at Behra Enclave have been completed. The construction of flyovers/ROBs at RR Kohli Marg, Shastri Nagar Pusta, Azadpur, BJ Marg-RT Ram Marg, Africa Avenue, Nelson Mandela Marg, Naraina and underpass at ITO Chungi will be completed during this year. Construction work has been started on Ring Road Bypass from Saleemgarh Fort to Indira Gandhi Stadium, elevated corridor on Barapullah Nallah connecting Jawaharlal Nehru Stadium and also on other flyovers/ROBs/Road Under Pass.

19. Traffic bottleneck being faced by the citizens at Railways Crossings in the city is being given due attention and 23 sites have been selected for construction of RUB/ROB. An amount of Rs.111.61 crore has already been released to MCD for construction of 17 Road Under Bridges [RUB] /ROBs to be completed before October 2010.

20. The Kushak Nallah and Sunehari Bagh drain near J.L. Nehru Stadium are being covered upto 1.1 km length at a cost of Rs. 325 crore for developing modern parking complex for 525 buses for which an amount of Rs. 80

crore has already been released to Municipal Corporation of Delhi.

21. PWD Roads are being strengthened and resurfaced with new technologies like recycling (453 km) and resurfacing using plastic waste (49 km) for providing better riding quality roads.

WATER SUPPLY

22. Sir, our Government is paying due attention to continuously growing water supply requirement of the territory. After successful commissioning of Sonia Vihar Water Treatment Plant, construction of 20 MGD Water Treatment Plant at Okhla and 50 MGD Water Treatment Plant at Dwarka are now priority projects so as to improve water supply position in South and South-West Delhi. 20 MGD Water Treatment Plant at Okhla will be completed by March 2010 and 50 MGD Water Treatment Plant at Dwarka will be completed by December 2010.

23. The work for construction of pucca parallel channel from Munak to Haiderpur is going to be completed very shortly, which will make available 80 MGD additional raw water. The existing non-functional Water Treatment Plant at Bawana will also start functioning to its full

capacity so as to improve the water supply situation in North and North-West of Delhi.

24. Sir, Hon'ble Members of this august House will agree with me that with the allocation of Rs. 50 lakhs for water supply and sewerage improvement works in each Assembly Constituency, we could solve some of the problems of the citizens. However, keeping in view the magnitude of problems being faced by the citizens, I propose to increase this allocation to Rs. 1 crore in this financial year.

SANITATION & ENVIRONMENT

25. Sir, silted and settled trunk sewers are the major bottleneck in utilization of Sewage Treatment Plants upto their full capacity. The works for rehabilitation of 51 Km trunk sewer lines have already been awarded and work is in progress. With this the entire silted/settled Trunk Sewer of 101 Km length will be rehabilitated by Dec. 2009.

26. Sir, our Government has adopted a dual approach to stop pollution in the Yamuna River. As a first measure our Government has started a massive programme to provide sewerage system in all non-sewered areas of

unauthorized colonies and in all rural villages of Delhi. The work for providing sewerage system in unauthorized colonies is in progress and sewerage system has already been provided in 22 colonies. The work for providing sewerage system in rural villages of Delhi is also in progress. The work for 24 villages is nearing completion and work for 07 villages has already been awarded. The second measure is to lay interceptor sewer system along with all major drains so that only treated waste water/sewage may be discharged in the Yamuna River. This project will be implemented under JNNURM.

27. Sir, to maintain the distinctive Status of greenest Capital City, we have developed 16 new city forests during last two years and 8 more new city forests will be developed during this year.

HOUSING AND URBAN DEVELOPMENT

28. Sir, in my last budget speech on 24th March 2008, I mentioned about 'Rajiv Ratan Awas Yojana' initiated by our Government under JNNURM. Applications have been invited from the eligible urban poor for allotment of houses under this project. 15 projects for construction of about 65,000 flats at a cost of Rs. 1815 crore have been

approved by Govt. of India so far. About 8,000 flats constructed under this project are ready for allotment.

29. Provisional Certificates have been issued to the RWAs of 1223 unauthorized colonies. Works have already been started for construction of roads, drains, water supply network, sewerage and sanitation services in these colonies. Since 1997-98 total amount of Rs. 2069 crore has been utilized for development of these colonies. An outlay of Rs. 786 crore is proposed for providing these civic services in these unauthorized colonies during the year 2009-10, which would be enhanced, if required, in the Revised Estimates.

30. Sir, with the increase in population, citizens are facing problems in organizing marriages and other events due to limited number of community halls/barat Ghars. Our Government has decided that open spaces available in the city may be declared space for such events. DDA is being requested to identify and notify such open spaces in each Assembly Constituency.

TOURISM

31. Sir, Connaught Place has a very distinctive position in the tourist map of country. Our Government has

decided to redevelop Connaught Place so as to bring it back to its original facade. This project has been approved as the first City Infrastructure Development Project under JNNURM by the Govt. of India at a cost of Rs.253.00 crore. NDMC has already started the execution of the project and the first instalment of Rs.22 crore was released last year. For the current financial year an outlay of Rs.45 crore is proposed.

32. For development of socio-cultural complex at CBD Shahdara, under PPP mode, Transaction Adviser has been appointed. Feasibility study for the project is in progress.

33. The Guru Tegh Bahadur Memorial at Singhu Border, being developed through DTTDC at a cost of Rs.22.20 crore , is nearing completion.

MEDICAL & PUBLIC HEALTH

34. Our Government is committed to providing better health care facilities to the citizens of Delhi. 500 beds New Ward Block at GTB Hospital Shahdara, EDP cell cum Referral Block at GB Pant Hospital and Orthopaedic Block at Lok Nayak Hospital will be ready in current financial year. Construction of 200 bedded Deepchand

Bandhu hospital at Kokiwala Bagh at a cost of Rs.93 crore has been started. Land has been procured for new hospitals at Vikaspuri, Ambedkar Nagar, Sarita Vihar and Baprola. Land has been purchased for new hospitals at Chhatarpur, Bamnauli, Jwalapuri and Madipur.

35. ILBS has started OPD services in its new complex at Vasant Kunj. DMRC has been engaged as the Project Consultant on turn key basis for construction of phase-II of ILBS. Indoor services will be started at Delhi State Cancer Institute by December 2009.

36. Health & Family Welfare Department is taking steps to augment and upgrade ambulance services. It is proposed to deploy a total of 150 ambulances which will include 9 state of the art Advanced Life Support [ALS] Ambulances and 141 Basic Life Support [BLS] Ambulances. In addition 20 (Two Wheelers) First Responders will also be deployed to reach difficult and congested areas. The Private Partner (Concessionaire) shall deploy 102 BLS, 09 ALS ambulances and 20 First Responders. CAT will deploy 39 BLS ambulances.

37. An MOU has been signed with Quality Council of India to upgrade quality of health care in 8 Delhi Govt.

Hospitals to enable them to obtain NABH accreditation. Chacha Nehru Bal Chikitsalya is the first hospital in the country to obtain NABH accreditation.

38. An outlay of Rs.1019 crore is proposed for Medical & Public Health Sector in 2009-10.

EDUCATION

39. Our Govt. is committed to provide access to education to every child. The thrust in the education sector is to provide better quality school education to all children and at the same time to make Delhi a center of excellence of international standards for higher education including technical education. To achieve this objective, we have allocated 10.32 % of the total plan outlay for 2009-10 to the Education Sector.

40. 34 middle schools have been upgraded to Secondary level and another 21 Secondary schools have been upgraded to Senior Secondary Level in 2009-10. In addition, Nursery classes have been introduced in 172 Sarvodaya Schools.

41. At present the students of 9th and 10th classes are paid Rs.300 for purchase of books whereas those in

classes XIth and XIIth are paid Rs.350. Keeping in view the average cost of books, I propose to enhance cash grant for books per student for classes IXth and Xth to Rs. 600 and for classes XIth and XIIth to Rs.800 w.e.f. July 2009.

42. The Govt. has established Dr. B.R. Ambedkar University at Dwarka. A post graduate diploma course in development studies has been started during the academic session 2008-09. The National Law School University, Delhi has also started functioning at Dwarka during the academic session 2008-09.

43. Sir, for promotion of higher education I propose to increase the existing amount of scholarship and contingency grant for post-graduate students of Delhi College of Engineering from Rs. 5000 to Rs. 8000 and scholarship for Ph.D in engineering from Rs. 7000 to Rs. 12250 and contingency grant from Rs. 10000 to Rs. 17500 from this academic session. The scholarship for post-graduate students of Delhi Institute of Pharmaceutical Science and Research is also proposed to be enhanced from Rs.5000 to Rs. 8000 from this academic session.

44. Sir, presently women students are exempted from paying the tuition fee in all type of courses of Govt. ITI's but physically handicapped persons and orphans (Inmates) from the Institutes licensed by the Social Welfare Department are required to pay Rs.100 per month as non tuition fee charges. Sir, I propose to waive non-tuition fee for these categories students from the current academic session.

ENERGY

45. Sir, I am pleased to inform this August House that the overall power supply position in Delhi has been satisfactory. Delhi Transco Limited (DTL) could manage peak demand of 4034 MW in 2008-09 as compared to demand of 2831 MW in 2001-02, prior to power sector reforms.

46. About Rs.4679 crore have been invested by the distribution companies for augmentation of distribution infrastructure during 2002-03 to 2007-08.

47. Average per capita consumption of electricity per annum in Delhi has increased from 1260 units in 2000-01 to 1615 units in 2007-08.

48. Peak demand deficit of Delhi is very low at around 1.5% against the national average of 12.3%.

49. The Bawana Power Plant of Pragati Power Corporation and Jhajjar Power Plant of Arawali Power Corporation have made good progress. On completion they will provide 2250 MW additional power to Delhi.

50. Load shedding has been brought down to 0.6% in 2007-08 from abnormally high 4.9% in 2000-01.

51. Sir, I propose to allocate an outlay of Rs.461 crore for Energy Sector for current annual plan 2009-10.

WELFARE PROGRAMMES

52. The 'LADLI' scheme started by the Government last year has enrolled more than 1.25 lakh girls born in Delhi after January 2008 and girl students enrolled in Govt. and recognized schools. The LADLI scheme will also contribute to improvement in female literacy, institutional birth and also in improving the sex ratio in Delhi.

53. The skill upgradation programme taken up through Delhi Skill Development Mission in collaboration with various NGOs and institutions of Polytechnics and ITIs is

going to help a large number of unemployed youth by providing them opportunities for skill upgradation training in a large number of courses of duration from six months to one year.

54. Hon'ble Members are aware of the various welfare measures taken up by the Govt. for Senior Citizens like increase in Monthly Old Age Pension from Rs. 200 in the year 2000 to Rs.1000 in 2008. Now, Govt. has decided to set up 50 new Recreation Centres for senior citizens in Delhi in addition to 38 functional centres. To provide more facilities in these centres, monthly operational expenditure limit will also be raised to Rs.18000 per centre w.e.f. July 2009. Financial assistance in the form of Rs.1000 per month will be provided to 2.5 lakh senior citizens, 21000 widows and 3500 unemployed disabled persons during the year 2009-10.

55. The Social Welfare Department has entered into an agreement with Mahavir Viklang Seva Sansthan, known for its Jaipur Foot, to provide free aids and appliances to persons with disabilities. About 5000 persons are likely to be benefited under this programme. The Government will reimburse the cost of the aids and appliances at GOI approved rates. This will be part of the National

Programme for Rehabilitation of the Persons with Disability (NPRPD).

56. Two mobile courts will be set up for summary trial of persons found begging in the city. These courts will be made operational by the middle of July 2009. Govt. proposes to set up a non-custodial home to provide care to the destitute and rehabilitate those found begging. This home will be run by civil society organizations working for the homeless.

57. Parents of children with disabilities frequently incur high costs of care giving. The unemployment and subsistence allowance provided to the disabled, at present, is only available to persons above the age of 18 years. Govt. has decided to extend this allowance of Rs.1000 per month to the parents of disabled children (0-18 years) as well whose income is less than Rs.60,000 per annum, and are residents of Delhi. About 3500 families are likely to be benefited in the current financial year under this Scheme. Government has also decided to provide mid-day meal, free supply of textbooks, and uniform subsidy to the students of Deaf & Dumb School run by the Department of Social Welfare.

58. Sir, our Government had decided to take care of destitute women for which crisis intervention centres are being set up. Government now proposes to provide financial assistance of Rs. 1,000 per month to the destitute women as subsistence allowance till their rehabilitation.

59. In order to provide integrated services to persons with disabilities, the Government will set up 4 District Disability Rehabilitation Guidance Centres, broadly on the pattern established by Government of India. This will help to improve outreach services to persons with disabilities.

60. The monthly allowance to Leprosy Affected Persons will be increased from Rs.1000 per month to Rs.1800 per month. The total additional financial requirement for this will be Rs.1.23 crore per annum.

61. Sir, our Government has decided to increase the Merit Scholarship and Technical/Vocational Scholarships by 20% w.e.f. July 2009, being given to SC, ST, OBC and Minorities students as incentive for educational upliftment of these sections of society.

62. For upliftment and welfare of building and construction workers, Delhi Government has established the Building and Construction Workers Welfare Board. For educational upliftment of these workers / households, it is proposed to provide stipend of Rs. 100 per month to their children studying upto class 8th, Rs.250 per month for the children studying in class 9th and 10th, Rs.500 per month for class 11th and 12th, Rs.1500 per month for under-graduation classes and Rs.5,000 per month for technical courses like Management, Law, Engineering etc.

COMMONWEALTH GAMES 2010

63. Sir, during the year 2009-10, targeted implementation of all projects directly or indirectly related to Commonwealth Games, 2010 is the highest priority for the Govt. These projects include construction of Tyagraja Sports Complex, renovation and expansion of Talkatora, Shivaji, Chhatrasal Stadiums and construction of a Training Indoor Stadium at Ludlo Castle. DJB will complete the construction of Water Treatment Plant and Sewage Treatment Plant at Commonwealth Games Village. A Polyclinic will be established at the Games Village by Health Department in addition to setting up of Medical Centres in each Venue & Training Centre.

Special Units in various existing hospitals for the health care of the participants in the Games will also be set up. The IT Department has been assigned a project for commissioning of a dedicated secure communication Network System for the Games.

64. Consultants have been appointed to suggest and design the landscape around all games venues and intersections on all major roads connecting the games venues. 18 new flyovers/ROBs will be completed by September 2010. 8 FOBs and 23 ROBs/RUBs on railway crossings will be constructed before the Commonwealth Games so as to provide best possible traffic flow on all roads of the city. New street lighting and road signages have been designed for all major roads connecting games venues and games village. New parking sites are being developed by covering Kushak Nallah and Sunehari Bagh drain.

65. For the Annual Plan 2009-10, an outlay of Rs.2105 crore is proposed for these projects, which includes Rs.1000 crore as ACA from Govt. of India. I am sure that with the completion of all these projects in time our Government will not only make an effective contribution

towards successful organization of the games, but also add assets for the long term benefits of the citizens.

JNNURM

66. Sir, I will like to inform the Hon'ble Members that in addition to 15 projects for construction of EWS houses, now a number of other projects have also been approved by Govt. of India under JNNURM. These projects includes re-development of Connaught Place by NDMC, construction of new Sewage Treatment Plants and Sewage Pumping Stations at Nilothi, Dwarka, Possangipur and Raja Garden by DJB, purchase of new buses by DTC etc.

67. Sir, the Hon'ble Members of this House have to attend a large number of public grievances almost each day. Government has provided lap-top to the Hon'ble Members to maintain the record of such grievances and requests being received by them. However, due to their pre-occupations with the large number of public issues they need part time Data Entry Operator. Government has decided to reimburse the Hon'ble Members Rs.7500/- per month for part time Data Entry Operator.

PART B

68. We support the action plan of the Central Government for stimulus to the economy. Keeping the current status of the economy I am not making any major taxation proposals.

69. However, in view of the need for resources as well as the social desirability of curbing the consumption of tobacco, I am proposing enhancement of VAT on tobacco and Gutkha from existing 12.5% to 20% except on unmanufactured tobacco, bidis, tobacco used in the manufacture of bidis and hooka tobacco.

70. The travel-trade and hotel industry, which has got a predominant role in the economy of Delhi has been affected by the decline in tourism sector. Keeping in mind the demand made by this sector in view of the impending Commonwealth Games and in order to give the much needed stimulus, we have decided to reduce the luxury tax on hotels from 12.5% to 10% with immediate effect.

71. Our Government has decided to take a major policy initiative of reforming the excise sector. I shall be introducing a new Excise Bill to substitute the outdated Punjab Excise Act 1914. This is based on the model bill circulated by Government of India. This will rationalize the

regulations and restrictions on the liquor trade and will provide stringent punishment for violations of law. The Bill provides for simplification of the complicated duty structure by taxes on liquor which will be charged advalorem - as percentage of its price, which will vary with the nature of the drink, instead of per bottle calculations and different fees. The Bill will be placed before you for consideration shortly.

72. We are in agreement with the roadmap prepared for introduction of Goods and Service Tax w.e.f 1st April 2010. We shall be discussing the modalities and details in this regard with the Empowered Committee of Finance Ministers and the Government of India.

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