

Delhi Budget Analysis - 2023

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Objective

This document aims to examine the budget of Delhi, the national capital of India, with a focus on analyzing the percentage increase or decrease in major schemes, the state's economic growth, fiscal health, drawbacks, and strategies for economic revival. By presenting a comprehensive and aesthetically pleasing overview of Delhi's budget, it is hoped that this budget offers valuable insights into the city's financial landscape and identifies areas of concern and the growth potential of the National Capital. By covering the various economic and social and policy aspects this document presents an exhaustive analysis of the Delhi Budget 23-24.

Introduction

Kailash Gahlot, the Finance Minister of Delhi, presented the budget for the fiscal year 2023-24, which is valued at ₹78,800 Crores. The budget included significant announcements for infrastructure improvements, health care, and the energy industry. The Budget was delivered amid controversy over Manish Sisodia's detention in connection with the now-canceled Delhi Excise Policy'scam case.

The Revised Budget Estimate for the fiscal year 2022-23 is ₹. 72,500 Crores, as opposed to 75,800 Crores in the Approved Budget Estimate. The revised estimate of ₹. 72,500 Crores is 18.52% more than the actual expenditure of ₹. 61,172 Crores in 2021-22. The Revised Estimate of ₹. 72,500 Crores comprises a revenue expenditure of ₹. 53,296 Crores and a capital expenditure of ₹. 19,204 Crores. Establishment expenditure and other committed liabilities are planned to be increased from ₹. 32,200 Crores in the approved budget to ₹. 33,200 Crores in the revised budget.

The Revised Estimates raise the budget for 2022-23 to 33,800 Crores. The Revised Estimates suggest a total of ₹. 38,700 Crores for schemes/projects year 2022-23. The authorized budget estimate was ₹. 43,600 Crores. The initiative of upgrading and beautifying Delhi roads is being planned with a 10-year horizon and with an anticipated expenditure of ₹. 19,466 Crores. The **fiscal deficit for 2023-24** is projected to be ₹10,386 Crores, more than double the revised forecasts for 2022-23 (₹4,359 Crores). According to updated forecasts, the budget deficit in 2022-23 will be 0.4% of GSDP, which is smaller than the 0.8% amount in 2021-22.

According to CAG report (2022), the Delhi government spent ₹ 3,593 Crores on subsidies in 2019-20. This was a 14% yearly growth over 2015-16 (₹ 1,868 Crores). The government has earmarked ₹ 3,250 Crores for power subsidies and ₹ 600 Crores for water subsidies in 2023-24. The Gross State Domestic Product (GSDP) of Delhi is expected to be ₹ 10.4 lakh Crores in 2022-23 (at current prices), representing a 15.4% increase over 2021-22.

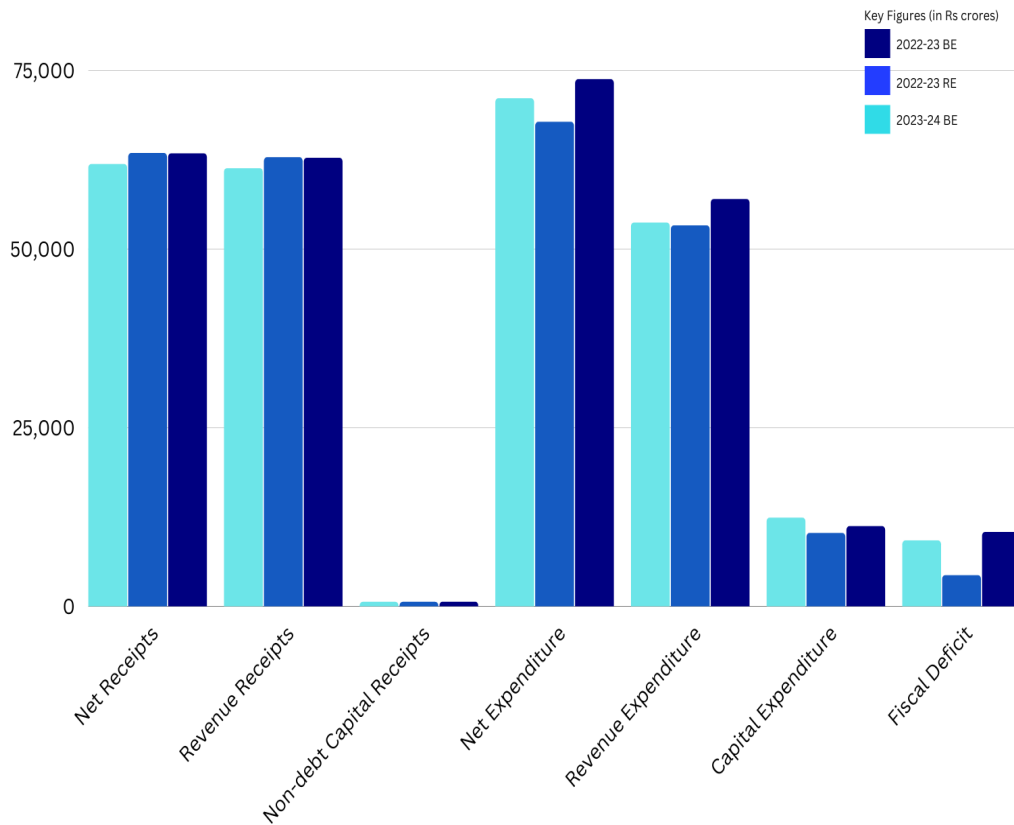
Budget Overview

- Kailash Gahlot, the finance minister of Delhi, introduced the Delhi budget in the Delhi assembly on March 22, 2023. The vision of the Delhi Budget was centered on creating a 'Clean, Beautiful, and Modern Delhi.'
- The concentration of the ₹ 78,800 Crores Delhi budget 2023-24 will be on improving the capital's infrastructure, sanitation, and transportation amenities, in addition to the customary focus on health and education with Capital expenditure of over ₹. 21,000 Crores towards Infrastructure projects.
- According to the rules, the Delhi government would also provide ₹ 8,241 Crores in cash help to local authorities. For the first time, the AAP won the Delhi Municipal Corporation elections, gaining a complete majority in the 250-member assembly.
- To handle the issue of growing trash landfills, he stated that the Delhi government was dedicated to working with the MCD to find a solution.
- The Delhi administration has also suggested building 26 flyovers, bridges, and underpasses in the budget. In addition, he stated that ₹ 320 Crores has been set aside for the building of three distinctive double-decker flyovers.
- Education has received the largest amount in the Budget on a sectoral basis. A total of ₹. 16,575 Crores has been set aside for this purpose.
- To combat pollution, the minister stated that a real-time pollution data centre would be established in each area. Aside from that, the minister stated that 1600 e-buses would be operational by 2023. He also stated that all 57 bus terminals will be outfitted with EV charging stations.

Table 1: Rupees in Croress

Particulars	2022-23 BE	2022-23 RE	2023-24 BE
Net Receipts	61,891	63,426	63,374
Revenue Receipts	61,289	62,826	62,752
Non-debt Capital Receipts	602	600	622
Net Expenditure	71,085	67,785	73,760
Revenue Expenditure	53,687	53,296	56,983
Capital Expenditure	12,386	10,245	11,189
Fiscal Deficit	9,194	4,359	10,386

Chart 1: Budget at a glance



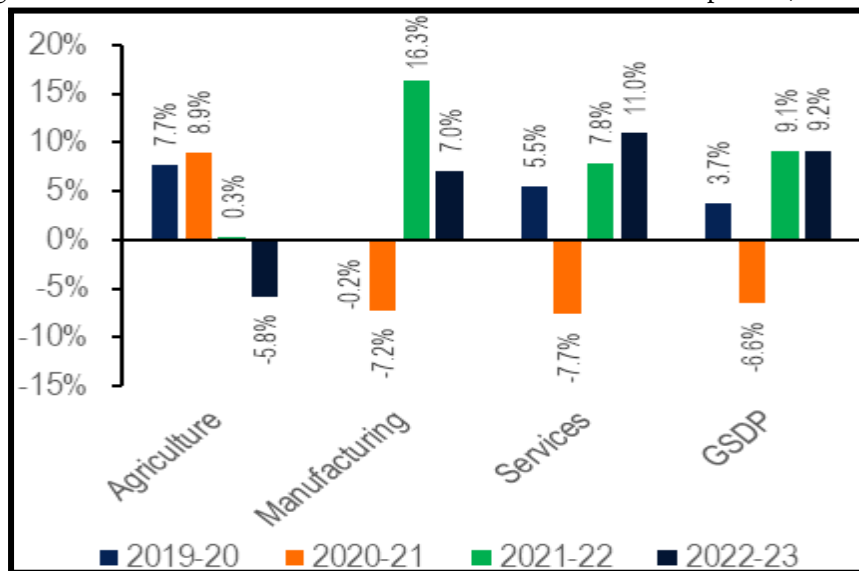
Contribution to GDP

Delhi has the third greatest per capita income in India and the highest among states with more than one million people. Since Chief Minister Sh. Arvind Kejriwal took office, and Delhi has also become the jurisdiction with the highest minimum salary in the nation.

This is at the heart of Delhi's Economic Development Model, which guarantees that the economic situation of the masses remains robust and that people can purchase different items based on their salary and satisfy their economic requirements. In 2022-23, the actual growth rate of Delhi's GSDP is expected to be 9.18%. At the national level, this increased rate is expected to be 7.0%. This implies that it has returned to pre-pandemic levels of commercial activity. It should be mentioned that Delhi's GSDP increased by 18.50% at current prices and 9.14% at constant prices in 2021-22, reflecting the effects of successful COVID-19 pandemic control efforts.

The addition of Delhi's real GSDP to national GDP is expected to rise from 3.94% in 2011-12 to 4.09% in 2022-23, even though the city-state accounts for only 1.53% of the total population. I'd like to point out that the service sector adds the most to the Delhi economy, accounting for 84.84% of Gross State Value Added at current market rates, while the secondary sector contributes 12.53% and the primary sector contributes 2.63%. In the fiscal year 2022-23, Delhi's per capita revenue is expected to rise to \$4,44,768 at present rates. It was ₹. 3,89,529 in the years 2021-22. This represents a 14.18% rise in Delhi's per capita revenue in 2022-23. For the fiscal year 2022-23, Delhi's per capita is nearly 2.6 times that of the national average of \$1,72,000. These figures show that the Delhi government was able to effectively manage the fiscal challenges presented by the Covid-19 pandemic.

Figure 2 : Growth in GSDP and sectors in Delhi at constant prices (2011-12)



(Note: These numbers are as per constant prices (2011-12) which implies that the growth rate is adjusted for inflation.

Sources: Delhi Economic Survey 2022-23; PRS)

Policy Specific Budget Highlights

1. **Mohalla Bus Scheme:** Small electric buses will be used to link main subway and bus networks to domestic communities in order to enhance public transportation's last mile connectedness.
2. **EV Charging Infrastructure:** The government plans to open 30 EV charging sites by March 2023, followed by 59 more by the end of 2023-24.
3. **Schools of Applied Learning:** Twelve schools will have a professional industrial setting to help students build skills and prepare them for future employment.
4. **Health:** Mohalla facilities will now provide 450 types of free examinations, up from 250 previously. By 2023-24, four clinics will be functioning.
5. **Tax Policy and Revenue Augmentation Unit:** From 2023 to 2024, this unit will find revenue possibilities, assist in detecting revenue leaks, and support policy development.

Delhi Economy Highlights

- **GSDP:** In 2021-22, GSDP grew by 9.1%. In 2022-23, the Delhi economy's GSDP (at constant rates) is projected to rise 9.2% over the preceding year. National GDP, on the other hand, is projected to grow at a yearly rate of 8.7% in 2021-22, following a 6.6% decline in 2020-21.
- In 2022-23, services and manufacturing witnessed modest growth, while agriculture contracted. (Figure 1). Agriculture, manufacturing, and services are anticipated to produce 3%, 12%, and 85% of GDP in 2022-23, respectively. (at current prices).
- **Per capita GSDP:** In 2022-23 (at present prices), Delhi's per capita GSDP is projected to be ₹. 4,44,768, a 14% increase over 2021-22

Revenue and Expenditure Analysis of the Budget

The planned revenue spending for 2023-24 is ₹ 56,983 Crores, a 7% rise over the amended projection for 2022-23. This includes compensation, retirement, interest, scholarships, and assistance.

The planned capital outlay for 2023-24 is ₹ 11,189 Crores, a 9% rise over the revised projection for 2022-23. Capital outlay denotes the expense on asset development.

The state's loans and advances are anticipated to be ₹. 5,587 Crores in 2023-24, which is 32% higher than revised projections for 2022-23.

According to the CAG (2022), the Delhi government spent ₹ 3,593 Crores on assistance in 2019-20. This represents a 14% yearly rise over 2015-16. (₹ 1,868 Crores). In 2023-24, the government has allotted ₹ 3,250 Crores for electricity subsidies and ₹ 600 Crores for water subsidies.

A state's committed spending usually includes payments for wages, pensions, and interest. A higher percentage of the budget assigned to committed expenditure items restricts the state's freedom in deciding on other expenditure objectives, such as capital outlay. Delhi is expected to spend ₹. 3,097 Crores on committed spending (excluding salaries) in 2023-24, representing 5% of its anticipated income collections. According to the 2022 CAG report, the government spent ₹. 11,070 Crores on salaries and earnings in 2019-20, accounting for 23.49% of income collections.

Total income collections are expected to be ₹. 62,752 rupees in 2023-24, a 10% rise over the amended projection for 2022-23. The state will collect ₹. 54,615 Crores (87%) of this through its own means, while the centre will contribute ₹ 8,137 Crores (13%). The centre's resources will be in the shape of funding.

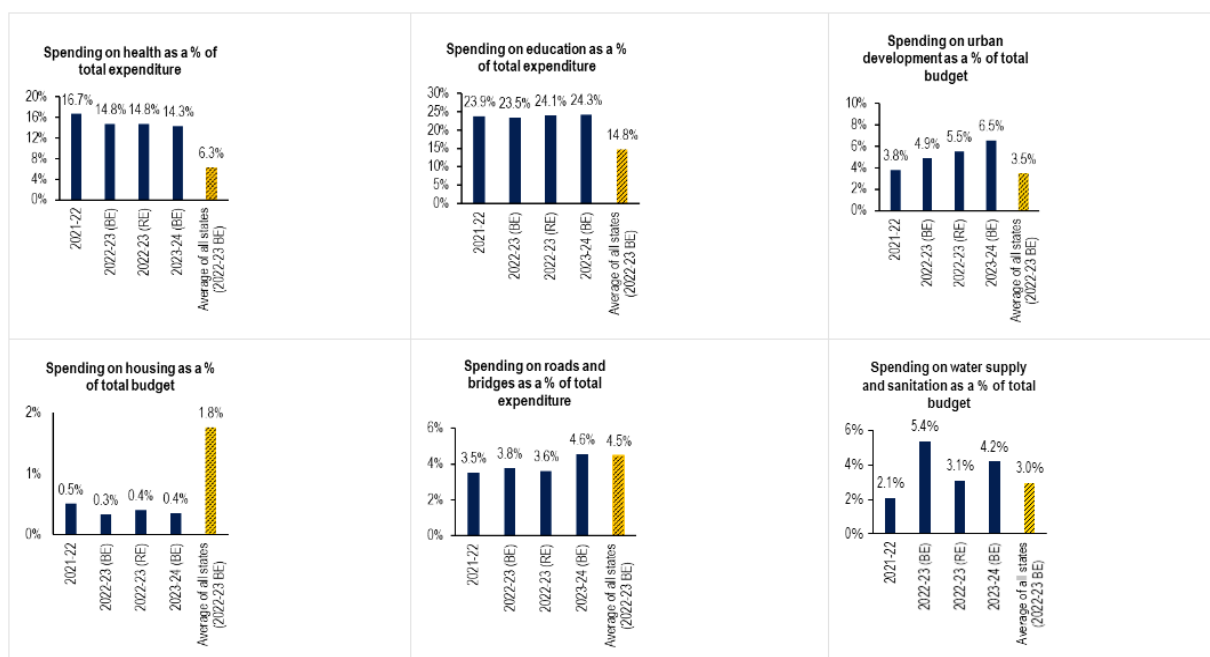
Grants from the central government are expected to be ₹. 8,137 Crores in 2023-24, a 41% drop from the amended projections for 2022-23. This decrease is due to the elimination of GST reimbursement after June 2022.

State income: Delhi's total own tax collection is expected to be ₹ 53,565 Crores in 2023-24, up 11% from the amended projection for 2022-23.

Expenditure on key sectors:

- **Health:** In 2023-24, Delhi has allotted 14.3% of its budget to health. This is more than double the typical state allotment for health (6.3%).
- **Education:** Delhi has assigned 24.3% of its total spending to education, which is significantly greater than the state average (14.8%).
- **Urban growth:** Delhi has set aside 6.5% of its budget for urban development. This is greater than the typical state allocation for metropolitan growth (3.5%).

- **Roads and Bridges:** Delhi has allotted 4.6% of its total spending to roads and bridges, which is marginally greater than the state average (4.5%).
- **Accommodation:** Delhi has set aside 0.4% of its budget for accommodation. This is less than half of the typical state allotment for housing (1.8%).



Note: 2021-22, 2022-23 (BE), 2022-23 (RE), and 2023-24 (BE) figures are for Delhi.

Sources: Annual Financial Statement, Delhi Budget 2023-24; various state budgets; PRS.

Budget Allocation across various sectors

Sector	2021-22 BE (In Cr)	2021-22 Actuals (In Cr)	% change from BE to Actuals
Rural Development	334	135	-60%
Police	118	54	-54%
Welfare of SC, ST, OBC, and	470	230	-51%

Sector	2021-22 BE (In Cr)	2021-22 Actuals (In Cr)	% change from BE to Actuals
Minorities			
Irrigation and Flood Control	798	407	-49%
Urban Development	3,083	2,049	-34%
Water Supply and Sanitation	1,631	1,137	-30%
Agriculture and Allied Activities	355	282	-21%
Education, Sports, Arts, and Culture	15,707	12,977	-17%
Transport	8,944	7,562	-15%
Health and Family Welfare	9,934	9,073	-9%
Energy	3,225	3,275	2%
Social Welfare and Nutrition	4,144	4,787	16%

Sector	2021-22 BE (In Cr)	2021-22 Actuals (In Cr)	% change from BE to Actuals
Housing	177	277	56%

Sector-Wise Analysis

Sector- Wise Expenditure:

Sectors	2022-23 BE	2022-23 RE	2023-24 BE	% change from RE 22-23 to BE 23-24
Health and Family Welfare	9,769	9,410	9,742	4%
Water Supply and Sanitation	3,557	1,973	2,866	45%
Police	99	113	398	254%
Agriculture and Allied Activities	314	269	313	16%
Education, Sports, and Arts	15,507	15,328	16,575	8%

Budget for Education

- The Delhi administration has set aside ₹ 16,575 Crores for schooling. 12 new Schools of Applied Learning to help youngsters achieve a better future. These schools will not only offer conventional topics, but will also include a professional industrial setting to provide students with appropriate experience to improve their abilities.
- Significant attempts to improve children's reading, writing, and basic arithmetic abilities through the Delhi Government's Chunauti and Mission Buniyaad' programs. Have been made. These have aided in the improvement of education statistics in Delhi.

- In the last five years, the Delhi government has built a number of cutting-edge sports facilities, including the International Sports Complex in Kair (Najafgarh), the Mundhela Sports Complex, and the Pehlادpur Sports Complex. Some projects in the works include a wrestling hostel and the relaying of synthetic tracks at Chhatrasal Stadium, the upgrade of Rajiv Gandhi Stadium, and the development of a squash centre at Thyagraj Stadium. Over the previous eight years, the government has granted nearly ₹. 110 Crores to over 9,000 participants through different programmes to boost sports participation.
- The government has stated that new tablets will be provided to instructors, administrators, vice-principals, and DDEs in 2023-24. The Delhi Government will provide approximately 20 new laptops to each of the 350 institutions.
- Foreign languages such as French, German, Japanese, and Spanish will be taught in Delhi Government Schools of Specialized Excellence. Schools and businesses will work together to build career abilities for students through Schools of Applied Learning. Greater emphasis will be laid on the skill enhancement of an individual.

Delhi Plans for Pollution Control

- The statement by the AAP administration highlights their efforts to combat the issue of air pollution in Delhi, which has been a major concern for several years now. The reduction of PM 10 and PM 2.5 smog levels by more than 30% in the last eight years is a significant achievement, indicating that their strategies and policies have been effective in improving air quality in the city.
- The plan to reduce the number of severe air quality days to just six in 2022 is a commendable goal, as it shows the administration's commitment to prioritizing the health and well-being of the citizens. The establishment of a real-time pollution data lab in each district of the city is an innovative initiative that will help in monitoring and identifying pollution sources in a more efficient manner.
- The efforts to reduce road dust and establish 52 lakh plants in the city will further help in combating air pollution. Plants act as natural air purifiers and help in reducing harmful pollutants from the air, while the reduction of road dust will lead to a cleaner and healthier environment.
- The establishment of the Green War Room to track and fight air pollution is an example of how technology can be leveraged to solve environmental issues. The implementation of 14

anti-dust standards on building sites with severe penalties imposed on offenders is a step in the right direction. Citizens can use the Green Delhi App to report pollution-causing incidents, which increases transparency and accountability.

- The use of a bio-decomposer during harvest to avoid stubble fires and preserve air quality, as well as the use of water sprinklers to decrease heat stress and airborne particulate matter, demonstrates a comprehensive approach to addressing air pollution. The inspection of nearly 1600 businesses daily to control industry pollution and the requirement of PUC certificates at fueling outlets are essential measures to curb emissions.
- The hotspot special surveillance to constantly monitor 13 hotspots in Delhi is a proactive approach to identify pollution sources and mitigate them. Overall, the AAP administration's efforts to tackle air pollution in Delhi are commendable and should serve as a model for other cities to follow.

Budget for the Health Sector

- For the current fiscal year, ₹ 9,742 rupees have been allocated to the health industry.
- The number of complimentary diagnostic procedures available at Aam Aadmi Mohalla Clinics will rise from 256 to 450.
- Aam Aadmi Mohalla Clinics for treatment are part of a robust healthcare strategy for Delhi residents, and future plans include establishing mohalla clinics at Metro stations for simple access to health services.
- The Delhi government is currently building nine new government clinics at Shalimar Bagh, Jwalapuri, Madipur, Raghbir Nagar, Hastal, Siraspur, Sarita Vihar, Sultanpur, and Kirari areas. The government declared that work on remodelling and extending 15 institutions, including Chacha Nehru Bal Vidyalaya, GTB, had begun.

Budget for Water Supply

- By March 2025, the Capital hopes to increase its water output from 995MGD (million gallons per day) to 1,240MGD. To meet escalating demand levels, the Delhi government has proposed a 25% increase in the city's water supply over the next two years.

- In the last decade, the Delhi Jal Board's production capacity has grown by 13%. The Capital will aim to increase its water production from 995MGD (million gallons per day) to 1,240MGD by March 2025, with a two-pronged approach. The first will be to increase groundwater levels, while the second will be to harvest rainwater flowing on Delhi's roads during the rainy season.
- Delhi requires 1,260MGD of water per day at its peak. The financial allocation for the water sector has decreased from ₹. 7,610 Crores (ten percent of total spending) to ₹. 6,342 Crores (eight percent).
- To be sure, last year's water allocation was a big increase over the previous year, when the state government set out ₹. 3274 Crores (5%) for the sector.
- Almost the entire year, Delhi suffers from a water supply shortage, with the problem reaching crippling proportions during the summer months. Between May and July, water supply is frequently disrupted in several neighbourhoods across the city, particularly those served by water from the polluted and parched Yamuna River.
- The Capital sources around 612.5MGD of its daily water supply from Yamuna and two linked canals, 254MGD water from Ganga via the Upper Ganga Canal, and the rest from groundwater resources (tube-wells and Ranney wells).
- A pilot project in Palla, located in the outer north of Delhi, has been successful in harvesting floodwater, resulting in a recharge of the groundwater table with approximately 800-1,000 million gallons per day (MGD) of water per year. The project commenced in 2019 and has raised the groundwater level by two meters. Alongside this project, various water recharge initiatives are being carried out on a large scale throughout Delhi to recharge the excess water during the Yamuna monsoon season.
- The government intends to build capacity to replenish 100 MGD of water through lakes and other sources during the next year. To supplement the water supply, this will be retrieved via tube wells.
- In order to lessen Delhi's dependency on other states for water, the state administration will focus on two initiatives: cleaning the Yamuna and providing a continuous supply of clean water.

Budget for the Power Sector

- The Delhi government has allotted 3,348 Crores to the power industry for the fiscal year 2023-24, which is almost identical to the 3,340 Crores granted last year.
- The allotment for the future year is 0.23% greater than the allocation for the previous year.
- Delhi presently fulfills only 9% of its electricity needs through renewable sources. On June 29, 2022, Delhi satisfied its highest electricity consumption of 7,695MW with zero load shedding. In the last eight years, Delhi's energy prices have not been raised.
- The Delhi government announced the draught Solar Policy of Delhi in December 2022, which will position Delhi as a leading example for the nation in the area of solar energy. The policy seeks to satisfy 25% of Delhi's annual electricity consumption with solar energy by 2025, up from 9% presently. To that end, the policy has set a goal of building 6,000MW of solar equipment by 2025, including 750 MW of rooftop solar. (RTS) The strategy will generate approximately 12,000 green employees in Delhi.
- The state government's main power subsidy scheme emphasized that Delhi could satisfy peak power demand without any supply cuts. The Delhi government's subsidy program was used by approximately 84% of the city's 5.85 million household users.
- In order to build infrastructure for electric cars (EVs), the government launched a "revolution" by giving India's biggest and first Public-Private-Partnership (PPP) contract for EV recharge points. This will entail the construction of 100 EV charging stations with 900 EV charging ports, as well as 103 battery switching stations.
- On calculation, it is found that the operating expense of an electronic two-wheeler is only 7 paise per kilometer, whereas a petrol scooter costs 1.75 paise per kilometer. The expense of an electronic three-wheeler is only 8 paise per kilometer, while a CNG three-wheeler costs 2.62 paise per kilometer. Meanwhile, the expense of operating an electric four-wheeler is only 33 paise per kilometer, compared to around 7 for a petrol-powered four-wheeler. This is nothing short of a revolt.
- Load shedding is the practice of halting energy delivery in a region to balance supply and demand. However, because Delhi produces excess energy, it implements 0% load shedding.

Economic Revival of the State

Niti Aayog's Sustainable Development Goals India Index 20-21 ranked the national capital second among Union Territories. Delhi is quite prominent and one of the fastest growing megacities in the world, and according to international studies, it is also the second highest performer and fastest growing economy in Asia-Pacific. Apart from being the capital of India, Delhi is a significant business and economic centre. Delhi's economic growth is critical, and it plays a key part in India's economic development goals. International commerce, financial services, commercial growth, and government sectors all contribute significantly to the Delhi economy. Lying in the heart of National Capital Region (NCR) (approx. 55,083 sq.km. in area), Delhi is surrounded by four important cities from Uttar Pradesh and Haryana.

The Delhi economy is progressively recovering from the economic hurdles posed by the Covid-19 outbreak. As a result, Delhi's GSDP is expected to rise from ₹9,04,642 Crores in 2021-22 to ₹10,43,759 Crores in 2022-23 at current market prices, representing a 15.38% increase. During the COVID-19 era, Delhi was able to maintain a decent growth rate and soon achieved a growth rate of 7.7% , in terms of GSDP which was substantially higher than the national average of 4.2%.

Despite the fact that Delhi accounts for just 1.53% of the country's total population. It should be emphasised that the service sector provides the most to the Delhi economy, accounting for 84.84% of the Gross State Value Added at current market prices, while the secondary sector contributes 12.53% and the primary sector contributes 2.63%. Delhi has the third highest per capita income in India and the highest among states with more than one million people. Delhi has also emerged as the state with the highest minimum wage in the country, indicating that not only is the average income of a common person in Delhi greater than the rest of the country, but the minimum salary of Delhi's poorest residents is also the greatest in the country. This is at the heart of Delhi's Economic Development Model, which ensures that the masses' economic situation remains robust and people may buy various products based on their income and satisfy their economic demands.

Delhi has a number of social, economic, and public welfare programs. There is a need for the rightful and on-ground implementation of the existing programs for the economic revival of the capital. The Delhi government has taken steps to simplify the registration process for small-scale industries, replacing it with a memorandum under the MSMED Act 2006. This step can encourage more entrepreneurs to start small businesses, which can create employment opportunities and contribute to the growth of the economy. Housing and Urban Development are also priority sectors for the Delhi government. In January 2021, Delhi Development Authority (DDA) launched its 2021 housing scheme for the sale of 1,354 flats, mostly in the High-Income Group (HIG) and Middle-Income Group (MIG) categories. The availability of affordable housing

can attract more people to the city and increase the workforce, which can lead to more economic activity.

In addition, the Delhi Development Authority has approved a new land pooling policy, which is expected to result in the creation of more sub-cities, such as Dwarka, Rohini, and Narela, in other urban extension areas. The involvement of the private sector in the development of new urban extension areas in the cities can lead to the creation of more jobs and investment opportunities.

Investment in the healthcare sector:

- The COVID-19 pandemic has highlighted the need for a strong healthcare system. Delhi should invest in building more hospitals, clinics and medical research facilities to create jobs and promote economic growth. The funding for AIIMS New Delhi was reduced by ₹ 55.33 crore this year, to ₹ 4,134.67 crore. In 2022-23, the initial budget was ₹ 4,190 crores. However, the reduction is ₹ 265.57 crore when compared to the revised figure for that year. **Funding for AIIMS** should be increased and necessary technological and staff assistance should be provided as per the requirements to bring efficiency in the healthcare sector at the National Capital. This will further help in increasing research and advancement of the healthcare sector making it in par with the American and European nations which hold top positions in this field.
- Create a healthtech cluster in Delhi to attract companies and inventors working on healthcare technology like as telemedicine, AI, and wearable health gadgets. The focus should be on transforming the healthcare sector by understanding the market needs and leveraging the challenges by converting them into opportunities. To stimulate cooperation and innovation, the health-tech cluster in Delhi would bring together startups, existing enterprises, investors, and other players in the healthcare and technology sectors. Bringing in investors is critical to the cluster's development. It is suggested that the government provide tax breaks and other perks to investors who invest in the cluster's health-tech firms. The cluster should be intended to encourage collaboration among businesses, researchers, and healthcare providers. To enhance networking and information exchange, regular events and gatherings might be conducted. The cluster should offer specialized resources to assist health-tech enterprises in growing and succeeding. Access to regulatory specialists, marketing and branding assistance, and mentorship programs are among the examples.
- In order to attract overseas patients to seek treatment in Delhi's world-class medical facilities, a medical tourism marketing council should be established. This shall focus on promotion of the Delhi Medical tourism delivering low-cost medical care and treatment

packages to patients globally. According to prominent market research databases, the worldwide medical tourism industry was valued USD 104.7 billion in 2019 and is expected to rise at a CAGR of 12.8% to USD 273.7 billion by 2027. According to prominent market research databases, the worldwide medical tourism industry was valued USD 104.7 billion in 2019 and is expected to rise at a CAGR of 12.8% to USD 273.7 billion by 2027. Over the last decade, Asia has emerged as an emerging leader in the medical tourism industry. This industry has grown faster in Asia than in any other area worldwide. Many prominent healthcare providers in Asia are internationally accredited and have established themselves as distinguished service providers to patients from both within the region and far beyond. In the last year, 1.4 million medical tourists visited India, making it one of the top medical tourism destinations. Foreign travellers visiting India for medical reasons increased by 66% in 2021

Promotion of Tourism:

- Delhi is a city with a rich cultural heritage and a diverse food and shopping scene. The government can create initiatives to promote tourism in the city by upgrading infrastructure, building new attractions and increasing marketing efforts. The **Global Tourism Investor's Summit** should be leveraged efficiently to bring benefits to the tourism sector. India ranked 54th on World Economic Forum's Travel & Tourism Development Index (2021) and has a Projected to contribution of **\$512 Bn** to GDP by 2028 and **53 Mn jobs by 2029** with a growth Rate of **18.08% CAGR**.
- A robust infrastructure is required to attract tourists and investments from across the globe. This includes well-kept roads, public transport, clean and sanitary accommodations, and tourist-friendly attractions. The government can concentrate on enhancing current infrastructure, building hotels, and restaurants, and constructing new tourist-oriented amenities. This will also facilitate foreign investments, Invest India is the National Investment Promotion and Facilitation Agency that helps investors looking for investment opportunities and options in India. Thus, highlighting the investable projects to the investors through such organizations will help in boosting the tourism sector.
- Technology has the potential to play a big role in boosting tourism. The government can create mobile applications and websites that give information about tourist locations, local transportation, tour guides, specialty of the places, site seeing, and lodging, further building a trustable government-run Tourism platform. People find mobile applications more convenient and thus building a mobile application is suggested along with the existing website. The mobile network penetration is easy to acquire than an online web portal,

further paving way for customer acquisition. This will provide quality services to the tourists and also generate employment in the sector. They may also utilise social media channels to promote Delhi's cultural history and attract tourists.

- While attracting foreign tourists is critical, it is also critical to promote domestic tourism. The government can organize tours and programmes for locals that highlight Delhi's cultural legacy. This will not only benefit the local economy but will also foster a feeling of community. Aligning the Central programs such as Dekho Apna Desh and Swadesh Darshan 2.0 with new innovative state programs through combined efforts of the Centre and the state will help in outshining the tourism industry. Introducing Double Decker buses, or other public transport to foster tourism covering major tourist spots. This has become successful in other cities like Mumbai, Mumbai Darshan Buses, and Hyderabad, where electric double-decker buses are now being used for this purpose. This should be further integrated with the Dekho meri Dilli campaign.

Boost digital infrastructure:

Supporting Digital Start-ups and Small Businesses:

- Offer financial incentives such as tax rebates and grants to stimulate investment in digital start-ups and small businesses.
- Encourage creativity by establishing a supporting environment that includes mentoring programmes, financing access, and networking possibilities.
- Collaborate with universities and research institutes to create new technologies and spread knowledge.

Improving Public Sector Digital Infrastructure:

- Create a comprehensive strategy for upgrading Delhi's digital infrastructure, including investments in data centres and cloud computing.
- Promote digital literacy among citizens, notably those in marginalised communities, by providing training programmes and courses.
- Improve access to digital public services such as healthcare, education, and transportation through facilitating public-private collaborations.

Encourage green initiatives

Delhi's air and water pollution levels have been a cause for concern. The government can invest in green technologies such as solar and wind energy, promote public transport and encourage citizens

to adopt eco-friendly practices. Plant more trees, especially along roadsides and in public locations, to boost Green Coverage. To improve green cover in urban areas, the government should also support rooftop gardens and vertical gardens.

- Encourage the use of public transit such as buses, metro, and electric automobiles to minimise air pollution and traffic congestion. The DTC buses have faced tremendous backlash due to its poor performance and inefficiencies. Even after the introduction of 150 buses in 2022, the fleet will have shrunk from 6,342 to 3,910. According to a 2018 plea submitted by the Aam Aadmi Party (AAP) administration before the Delhi High Court, the city requires at least 11,000 buses, 5,500 of which should ideally be held by the DTC. By 2025, 83% of the DTC bus fleet will have reached the end of its operating life. It effectively means that DTC will have only 42% of its required fleet size in September 2025, with 2,314 buses.
- It's time for the Delhi Government to revamp the age-old public buses and bring in modern E-technology in the public transportation which will help in combating pollution significantly.
- The Delhi government was responsible for bringing modern buses, but they did not do so owing to a lack of funding. If they had purchased electric buses, they would have also contributed to minimise pollution. Electric buses are available in Mumbai, Nagpur, and Ahmedabad and are more effective in reducing pollution than the completely ineffective Odd-Even Scheme. Mumbai has become the first city in India to use Electric Double Decker buses, which can carry 100 passengers including standing passengers at a time. Delhi needs more buses to meet the requirements of its rising population, and it would have also helped to reduce the number of vehicles on the road. However, due to a lack of funds, the number of buses has been reduced. As a result, efforts should be made to provide electric public transit.
- Every day, Delhi creates 11,000 metric tonnes of solid trash. Only half of it is processed in waste-to-energy, composting, or refuse-derived fuel facilities. The remaining half is dumped in landfills untreated forming hills of garbage dump yards. This waste is either burned further contributing to growing air pollution in Delhi or is left in open only for converting garbage hills to mountains. This is the current state in the capital city of a country that boasts of the Swachh Bharat Abhiyan.
- In terms of Waste Management Delhi can put in place an effective waste management system that focuses on trash segregation, recycling, and disposal. Composting and biogas

facilities for organic waste should be promoted by the government. Following this, only garbage that is non-recyclable, non-biodegradable, and non-combustible should be accumulated in landfills, according to the guidelines. According to experts, 50% of all solid waste is suitable for composting or biogas generation. Around 30% of it can be recycled. Thus, ideally, only 20% of waste should end up in landfills. Segregation also keeps recyclables clean and compost created from organic materials of a higher grade. But it certainly isn't happening.

- Composting and recycling bins should be installed in neighbourhoods, with defined reduction and reuse goals. Electric vehicles should be employed for rubbish collection. Last but not least, to end politics and ensure effective job execution, Delhi's trash disposal should be handled by a single unified government body.

Create a startup ecosystem:

- Delhi has a vibrant startup scene with a lot of potentials. The government can create an environment that supports entrepreneurship by offering incentives such as tax breaks, funding, and mentorship programs. **Startup India** brings a ready hand with new initiatives and programs to bridge any gap that the National capital might face for the implementation of such programs and the emergence of Delhi as a Global Innovation Hub and the most preferred destination for Startups.
- Creating a government run funding system to help emerging startups. Startups need funds to expand, and the government may help by giving finance and financial assistance. This can be accomplished through venture capital funds, grants, or low-interest loans. The government can establish incubation centres where entrepreneurs can get office space, mentorship, and networking. These centres may give entrepreneurs with the tools they need to succeed, such as access to equipment, legal and financial guidance, and marketing support.
- Partnerships and cooperation with other firms, universities, and research institutes can assist startups. The government may help these collaborations by organising networking events and gatherings of entrepreneurs, investors, and industry leaders.
- The government may promote innovation by establishing programmes that fund R&D, patent registration, and intellectual property protection. This can assist entrepreneurs in developing new technology and products, providing them with a competitive advantage in the market.

Develop affordable housing:

Delhi's population is growing rapidly, and there is a need for affordable housing infrastructure. Despite phenomenal economic growth and the Pradhan Mantri Awas Yojana (PMAY), a major central government-led housing development and investment programme, cities in India continue to struggle with housing inadequacy and (un)affordability. Unaffordability derives from high property prices, which make homeownership difficult, and a shortage of long-term rental accommodation, which makes renting inaccessible. In megacities, housing deficiency manifests itself in a variety of ways, including informal settlements, homelessness, and overpopulation. According to the Economic Survey of Delhi 2021, 4.5 million of Delhi's 19 million residents live in informal settlements, with another 0.5 million living in urban villages that lack access to regular civic services. Despite the fact that they do not adhere to formal planning standards, they provide housing solutions for middle and lower-income urban households. Housing that is both formal and adequate is inexpensive.

- Invest in low-income housing developments and encourage private developers to do the same. Kusumpur Pahari is New Delhi's biggest slum, with over 10,000 slums. It is mostly home to destitute migrants from Uttar Pradesh, Bihar, Orissa, and Assam. This slum stands in stark contrast to the elegant bungalows of Vasant Vihar, one of Delhi's most affluent neighbourhoods. The bulk of this slum is populated by servants, drivers, gardeners, and sweepers who work for the wealthier residents of Vasant Vihar. Formal and appropriate housing is only affordable to upper-middle-income or higher-income households. In Delhi, there is no public rental housing, making homes unaffordable to low-income households, who comprise a crucial proportion of the city's workforce.
- To reduce the cost of creating affordable homes, use prefabricated construction. The prefabricated building has the potential to significantly cut the cost of creating affordable dwellings. Costs can be decreased while maintaining quality and safety standards by manufacturing building components in a factory environment. This can make it simpler to build inexpensive dwellings that satisfy the demands of low-income households, therefore contributing to the city of Delhi's affordable housing deficit.
- Create mixed-use buildings that mix affordable housing with business space. Mixed-use developments that mix cheap housing with commercial facilities such as retail stores and offices can produce money while lowering the cost of affordable home construction.
- Encourage the development of fully functioning and cost-effective micro-housing units for low-income households. The Delhi government can promote the establishment of such entities by reserving certain number of dwellings in private developers to make it simpler for low-income households to purchase affordable housing units, or also provide financing choices such as low-interest loans and subsidies. This can motivate developers to construct inexpensive housing while also making it more accessible to the general population.

- The Delhi government can work with private housing developers and entice them to participate, by granting subsidized land offering offer tax breaks for participating in public welfare. Set aside a specified number of homes in private developments for low-income families to make it easier for them to obtain affordable housing units.
- Provide funding choices such as low-interest loans and subsidies to encourage developers to build affordable housing while also making it more accessible to the general public.

Sustainability and Growth

- For sustainability, Delhi government should promote cleaner production, support green-blue infrastructure, introduce the Green-Blue factor (GBF) for plan approval, incentivize large-scale green economy implementation, implement green developments and renewable energy generation, and promote the production and use of clean energy.
- Sustainable garbage collection and treatment programmes to avoid enormous heaps of waste with an effective waste management system that focuses on trash sorting, recycling, and disposal. The government should encourage the use of composting and biogas facilities for organic waste.
- Promote niche sectors such as specialty health, higher education, tourism, and modern logistics, providing facilities and shared spaces for entrepreneurs, promoting the development of district centres into specialised clusters, identifying and protecting culturally significant areas, introducing supportive ancillary facilities, and promoting unorganized economies such as waste workers, household industries. Effective coordination among stakeholders is crucial for the success of any project. This can be achieved by establishing clear communication channels, creating partnerships with local organizations, and holding regular meetings to keep everyone informed of progress and any changes.
- Rightful implementations of the government policies are necessary to achieve the vision 2041 for Delhi that focuses on “Fostering a Sustainable, Livable and Vibrant Delhi”. The primary goal is to become an environmentally sustainable city that is future-ready and offers a good quality, affordable, and safe living environment with efficient mobility systems with the aim to emerge as a dynamic place for economic, creative and cultural development. This vision will be achieved through six board goals- enabling environment protection, local economic development, preservation of heritage and culture; improved quality of life; low carbon mobility; and resilient infrastructure.

Major Hits and Misses of the Budget 2023

Shri Kailash Gahlot complained that the Centre's allocation from central taxes to Delhi is just ₹ 325 crore, but this allegation is deceptive because the Centre pays for the capital's police, roads, metro, and other infrastructure needs.

Union Minister Shri Nitin Gadkari allotted ₹ 700 crore from the Union Government budget for Delhi's roadways in December 2022, asking NHAI to cover the expense of repairing and beautifying municipal roads. Gadkari also directed the NHAI to fund the costs of improving the road between Mahipalpur (IGI airport) and Dhaula Kuan, a project that is being carried out in mission mode under the direct supervision of the Lt. Governor (L-G) of Delhi, V.K. Saxena. A deeper examination uncovers a dwindling health budget, postponed infrastructure projects, an antiquated transit system, an aristocratic attitude to education, and deceptive promises about dump site clearance.

Infrastructural Development

The Budget unfolded various infrastructural development projects across the state. The national capital is undergoing significant development with 29 new flyovers currently under construction. By the end of 2023, a total of 1,600 e-buses, including 100 feeder buses, will be introduced. In 2023-24, the budget allocated just ₹ 2,034 crore for infrastructure development, which is insufficient to meet the city's demands.

Furthermore, the majority of the G-20 summit-related projects announced will not be completed within the six-month timeframe, including road network upgrades, the construction of 26 flyovers, and three double-decker flyovers. For example, Kejriwal promised that dump sites will be eliminated by 2024 and the Yamuna would be cleansed by 2025, far ahead of the G-20 conference deadline.

Three unique double-decker flyovers will also be constructed in partnership with DMRC at Bhajanpura to Yamuna Vihar, Azadpur to Rani Jhansi intersections, and from Saket to Pul Prahladpur. However, it is time for the government to focus and shift to electronic public vehicles (eg. Mumbai). In addition, three world-class Inter-State Bus Terminals (ISBTs), two multi-level bus depots, two modern bus terminals, and nine new bus depots will be constructed in Delhi. The electrification of 57 existing bus depots will also take place.

Education

Despite claims of significant investment in education, the budget has only seen a marginal increase of nearly ₹ 200 crores. Specialized schools of excellence (SSEs) are good examples of an elitist approach, as they focus on the smartest pupils while disregarding the needs of the rest. Gahlot stated that they want to raise the number of SSEs from 20 to 37. However, the increase does not imply the addition of more schools in the capital. Existing schools will be converted into SSEs. While the budget announces plans to provide 20 computers to 350 government schools (out of more than 1,000 schools) and tablets to teachers, principals, and vice-principals, it makes no significant announcements for the education sector as a whole.

This year, a total of ₹ 151.59 crore has been allocated for the educational development of SC/ST/OBC and minorities, compared to ₹ 446.07 crore the previous year. The Mukhyamantri Vidarthi Pratibha Yojana, a state-funded scheme that provides scholarships to ST/SC/OBC and minority students in classes IX to XII based on the previous year's performance, saw a 95.5% decrease in funds this year compared to the previous year — from ₹ 100 crores in 2022-23 to ₹ 4.50 crore this year. The provision for tuition fee reimbursement in public schools for SC/ST/OBC children has increased from ₹ 15 crores to ₹ 31 crores.

Sanitation and Healthcare

Schemes announced in the name of clean, beautiful, and modern Delhi are age-old and require revamp. Similarly, transport infrastructure, cleaning of Yamuna, development of lakes and Delhi Jal Board are all schemes that were announced earlier. In important sectors like health, transport, and social welfare, the government has reduced the budget allocation and it is the same in the case of education. The Finance Minister stated that the AAP administration is working with the MCD to clean garbage sites, proposing a "loan" of over ₹ 800 crores for the purpose. In 2019, the legacy garbage in Delhi's three dump sites (Ghazipur, Bhalswa, and Okhla) totaled 280 lakh MT. Because of an increasing rate of trash disposal between June and September 2022, it had decreased to 203 Lakh MT by September 2022. Following AAP's victory in the MCD elections, CM Arvind Kejriwal has claimed the target of completely removing legacy waste by April 2024 as his own.

Being the national capital of the country, and the development opportunities of the healthcare sector, the budget allocation should have been increased. Despite Gahlot's plans to build nine new hospitals and open 100 Mahila Mohalla Clinics in the city, the health budget has actually reduced to ₹ 9,742 crore in 2023–2024 a small decrease from ₹ 10,446 crore in 2021–2022. Even though the total budget outlay has increased to a record-high of ₹ 78,800 crore, this decline still exists that too in key areas of development. The budget ignores the delayed implementation of major programmes

like mohalla clinics or the lack of any new health infrastructure, despite the government's assertions that it is expanding healthcare facilities.

Growing Unemployment

On a critical note, the budget failed to address the problems pertaining to unemployment, poverty, inequality, or even equity. The rate of unemployment in Delhi is as high as 20.8%, this is more than the states of Maharashtra, Karnataka, and Gujarat with 3.1%, 2.5%, and 2.3% respectively. Thus, it becomes important for the state to give due importance to the same. While the national unemployment rate stands at 8.30% as on December 31, 2022, Odisha's unemployment rate stands at 0.9%, with the lowest Unemployment state in the country. There has been various policy changes made by the state that has led to this effective development, something that Delhi can learn from.

With its 5T-backed business-friendly policy decisions and development approach, Odisha has done remarkably well in providing job possibilities. Odisha is quickly developing as the country's industrial powerhouse under the leadership of Chief Minister Naveen Patnaik. The state government has always worked to create a comprehensive business climate for investors in Odisha. The just finished third edition of the Make In Odisha Conclave demonstrates this. Leading global investors have revealed plans to spend ₹ 10.5 trillion in the state in the coming days. On June 20, 2020, the government launched the Garib Kalyan Rojgar Abhiyaan (GKRA) for 125 days to increase employment and livelihood opportunities for returnee migrant workers and similarly affected persons, including youth in rural areas, in 116 selected districts across six states: Bihar, Jharkhand, Madhya Pradesh, Odisha, Rajasthan, and Uttar Pradesh. The Abhiyaan has generated 50.78 crore person-days of employment with a total cost of ₹. 39,293 crore.

The state government has established a number of skill development centres around the state to teach young people in a variety of industries such as construction, hospitality, healthcare, and information technology. The goal is for them to be employable and self-sufficient. It has put in place a variety of policies and programmes to promote industrial growth in the state. This involves offering incentives to entrepreneurs, fostering a favourable business climate, and establishing industrial clusters. Agriculture is the backbone of the Odisha economy. The state government has implemented a number of initiatives to encourage agricultural and agro-based enterprises. These include making credit more accessible, establishing agro-based industries, and promoting organic farming. The state government has been putting people to work in a variety of fields, including healthcare, education, and public services. This has aided in lowering the state's unemployment rate. Tourism is a significant industry in Odisha, and the state government has been actively promoting it. This comprises the creation of tourist infrastructure, the promotion of cultural tourism, and the organisation of festivals and events. The government takes the initiative to launch new schemes every year in every budget however, the majority of the projects remain unaudited,

hence lacking the expected success created by the hype. The Smart Urban Farming initiative aimed to create 25000 jobs for women in 2022 is one such initiative. Furthermore, in recent years, the state has prioritised sports and has become India's hockey hub. The state just hosted the World Cup for the second time in a row, with another world-class stadium built in Rourkela, creating jobs and stimulating the economy.

Electricity and Freebies

Power distribution companies in India are suffering greatly. Their troubles are mostly the result of two factors: the first is their failure to minimize transmission and distribution (T&D) losses, and the second is pricing hikes to keep up with escalating expenses. Both have the potential to affect consumers across the country and increasing tariffs is a political nightmare since state governments have control. Power discoms in Delhi recommended that a cost-reflective, progressive rate rationalization be applied because their entire standalone revenue shortfall in 2019-20 was over 3000 crore.

Arvind Kejriwal has justified these free programs by claiming that as a state citizen, one is entitled to free services from the government, which one must get. He deceives people about how the whole weight of these plans is secretly moved to the general public, and that the advantage produced by these methods is only temporary. Instead, why not equip them with work opportunities, self-help organizations, and improved public institutions to assist them in becoming self-sufficient, which is a long-term answer to all problems? What could be better than the potential to increase money and improve job prospects instead of 'freebies'?

Because electricity is a core utility, waiving the total consumption cost does not qualify as a subsidy. It's nothing more than a political trick to boost the number of votes cast in elections and keep power. Such policies easily influence people, who fail to recognize that the full cost is borne by them in another way. It is worth mentioning that in the instance of Delhi, power subsidies place huge financial pressure on the public purse. In the 2021-22 budget, The energy sector received ₹ 3,227 crores, of which ₹ 3,090 crore was for electricity subsidies, accounting for 96% of the entire allocation for the sector and 4.4% of the overall budget. This is a large sum of money. This is a large sum of money. If customers paid for the electricity they use, the full amount might have gone to a more worthy cause. In October 2022 complainants claim that instead of recovering ₹ 21,250 crores in outstanding dues for power purchased by discoms (BRPL and BYPL) from state-owned power generation companies, the AAP government allowed them (discoms) to settle their outstanding dues against future payments through subsidy reimbursements.

The Punjab government has a habit of overcommitting to subsidies while underpaying the distribution companies. This has a substantial influence on Punjab State Power Corporation Limited's already difficult financial situation. It is worth noting that the Congress administration has failed to pay subsidy dues every year since taking office in 2017. According to the Times of India, it has already collected a ₹ 10,000 crore electricity debt that must be paid to PSPCL.

So, if the AAP implements such a policy, it may cause huge problems in the state because, if the incumbent government is already unable to pay previous commitments, how will the incoming government pay a bill that is 1.5 times the existing outstanding? As a result of this, something

Freebies for the entire population are never thought to be viable policies. Those who stand to benefit from "free" government funds have a strong incentive to band together and lobby for a piece of the pie. Giving favours to certain groups in exchange for votes and campaign funding costs lawmakers little or nothing, but it costs the public treasury, which bears the brunt of all politically influenced choices. The Supreme Court has sent a notice to the Election Commission of India (ECI) and the Centre in connection with political parties luring voters with promises of goodies ahead of this year's assembly elections in five states. The Supreme Court observed that while it had previously urged that the Election Commission develop rules to discourage such conduct, the polling authority had only met with political parties once to solicit their opinions. If the AAP actually wants to work for the public good, it should focus on changing its deceptive attitude and be committed to meeting the true needs of the general people, not 'freebies.'

Allocating funds towards social welfare programs such as poverty alleviation, housing for the homeless, and food security for the underprivileged could help reduce social inequality and improve the standard of living for all citizens. Delhi is known for providing free resources and a large number of social welfare schemes like free public transportation (Bus services in particular) for women etc. However, the quality of these services still remains a greater question unanswered. It is now time for the government to work on providing quality services and also audit the existing programs to achieve the maximum out of their schemes and policies.

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