

# BUDGET SPEECH

2010-2011



Hon'ble Speaker, Sir,

1. I rise to present the Budget for 2010-11.
2. Sir, when people of Delhi elected this Government for the first term in 1998, we promised to make Delhi a Global city. It is a matter of privilege and great pleasure for me to announce that we have succeeded to a great extent in this direction. Delhi is known for its development in the last decade. Delhi is known as the 'Green Capital' of the world, City of World Class Metro, an Educational & Cultural Hub, for health tourism, for its beautiful and wide Roads and Flyovers and Eco-friendly Public Transport. From this year it will also be known as a City of Sports & Sports infrastructure. Live-ability India 2010, a study by a reputed organisation, that mapped 37 cities across India on various parameters, reveals that Delhi has emerged as the best Indian city in terms of quality of life and living standards. As a result of our efforts during the last decade, Delhi is the most liveable city in the country

and tops the list based on education and economic environment, ahead of Mumbai and Bengaluru.

### ECONOMIC SCENARIO

3. Sir, the Gross State Domestic Product (GSDP) of Delhi at current prices increased from Rs. 1,44,303 crore in 2007-08 to Rs. 1,65,948 crore in 2008-09, registering a growth of 15%. The real growth in GSDP in Delhi in 2008-09 over the previous year remained at 10% as compared to 6.7% at the national level, which indicates a vibrant economy. The contribution of Service Sector to Delhi's economy has increased from 79% in 2000-01 to 84% in 2008-09.
4. The per capita income of Delhi at current prices increased from Rs.78, 790 in 2007-08 to Rs. 88,421 in 2008-09 indicating a growth of 12%. The per capita income at the national level was Rs. 37,490 in 2008-09. The real growth of per capita income in Delhi in 2008-09 was 7.3% as compared to 4.9% at the national level.

## PRICE SITUATION

5. Sir, Government took timely action through market intervention for controlling the retail prices of essential commodities in Delhi. As a result, the retail prices of food items in 2009 increased only by 11.3% in Delhi as compared to 23% at Kolkata, 15% in Chennai, 12% in Mumbai and 13% at the national level. The rate of inflation based on the consumer price index for industrial workers in 2009 was the lowest in Delhi at 7.3% as compared to 10% in other metropolitan cities and at the national level.

## TAX COLLECTION

6. Mr. Speaker, Sir, when I presented the current year's Budget in June 2009, the pace of our tax collection indicated a negative growth of 6.93% due to economic slow down. However, the position has gradually improved with our concerted efforts. Tax collection has registered a growth of 6.85% upto February 2010. The current year's revised target of Own Tax Revenue is Rs.13, 174 crores which is

8% higher than previous year. Next year's target of Own Tax Revenue is Rs.15, 582.50 crores with a growth of about 18% over the current year.

### FISCAL DEFICIT

7. The fiscal deficit of Delhi Government was around Rs.2824 crores in 2008-09, which was 1.7% of the GSDP as compared to the estimated deficit of 2.6% of GDP in case of all States and 6% of GDP in case of the Union Government during the year. The fiscal deficit of Delhi during 2009-10 is expected to increase to Rs.3561 crores in the Revised Estimate compared to Budget Estimate of Rs.2890 crore. We are conscious of the need for containing the fiscal deficit at a reasonable level. Estimated budgetary target of fiscal deficit is Rs.3116 crores for the year 2010-11.

### DELHI FINANCE COMMISSION

8. Mr. Speaker, Sir, the Local Bodies in States are getting grants from the Centre as per the recommendations of the Finance Commission.

This financial dispensation is not being made available to the Local Bodies in Delhi on the ground that Union Territories are not covered under the terms of reference of the Finance Commission. However, on our part, we have accepted to provide 10.5% of our Own Tax Revenue as Basic Tax Assignment and Non Plan grant for specific schemes to the Local Bodies based on the recommendations of 3<sup>rd</sup> Delhi Finance Commission. An amount of Rs.1200 crore has been provided in 2009-10 and an amount of Rs.1465 crore is proposed for 2010-11 as devolution of funds. In addition, an amount of Rs.1473 crore is also proposed for Local bodies under Plan in 2010-11. We have set up 4<sup>th</sup> Delhi Finance Commission for recommending devolution of funds for the period of next 5 years w.e.f. 2011-12.

#### REVISED ESTIMATES FOR 2009-10

9. Sir, current year's non-plan expenditure has increased from Budget Estimate of Rs.12,932.17

crore to Rs.14,340 crore in Revised Estimates. This is mainly due to increase in salary of the Government employees along with payment of 60% arrears on account of 6<sup>th</sup> Pay Commission recommendations and also due to increase in Non-Plan loan to DTC and DJB. Accordingly, the current year's Revised Budget is estimated at Rs. 25,800 crore against the original Budget Estimate of Rs.23,043 crore.

#### PLAN OUTLAY 2009-10

10. Sir, with a comprehensive approach to City Development Planning, we have initiated a number of reformative measures both in project and programme formulation as well as their implementation, monitoring and evaluation. Taking into account the requirements of funds for completion of ongoing projects, I propose to enhance the plan outlay for the current year from Rs.10,000 Crore to Rs.11,300 Crore at R.E. stage.



## **SUPPLEMENTARY DEMANDS FOR GRANTS (2009-10)**

11. Sir, in order to give effect to the Revised Estimates, Supplementary Demands for Grant of Rs.3006.76 crore will be required. I, therefore, seek the approval of this House for the Supplementary Demands for Grants.

## **BUDGET ESTIMATES FOR 2010-11**

12. Total Budget Estimate for the year 2010-11 is Rs.26,000 crore which includes Rs.11,200 crore for plan expenditure, Rs.140 crore for expenditure on Centrally Sponsored Schemes and Rs.14,660 crore for non-plan expenditure. The Budget will have a revenue expenditure of Rs.14,879 crore and capital expenditure of Rs.11,121 crore. The proposed expenditure will be funded from Own Revenue Receipts of Rs.19,631 crore, Small Savings Loan of Rs. 1000 crore, Central Plan Assistance of Rs. 1284 crore, share in Central Taxes of Rs.325 crore and Rs.3760 crore from other sources.

13. Sir, now I will touch upon the important programmes and policies proposed to be implemented during the year 2010-11.

#### COMMONWEALTH GAMES-2010

14. Sir, Hon'ble Members are aware that Delhi is the host city for 19<sup>th</sup> Commonwealth Games to be held in October 2010. Our Government has put in best efforts for timely completion of all projects linked directly or indirectly to the organization of these games. The projects being financed by the Government include construction of Flyovers/ROBs/RUBs, widening, improvement and Street-scaping of roads, new street lights, new signages, construction of new parking sites by PWD, MCD & NDMC, construction of new Stadia /renovation of existing stadia at Tyagraja, Chhatrasal, Ludlow Castle by PWD and Talkatora, Shivaji stadia by NDMC.
15. Government has decided to modernize DTC fleet by purchasing new Low-floor air-conditioned and

non-air-conditioned buses before Commonwealth Games 2010. Major historical monuments are being taken care of with necessary repair and preservation including upliftment and beautification of their surrounding areas. The first City Centre, Connaught Place, is being re-developed to its original glory. Central Government is taking care of the Airport, Railway Stations, Hotel accommodation with their expansion and renovation so that the national and international visitors are provided better facilities.

16. Government has decided to organize a number of cultural events during the Games so that the visitors also enjoy the culture of our country. Sir, I appeal to the residents of Delhi to make Commonwealth Games a memorable event.

### **JAWAHARLAL NEHRU NATIONAL URBAN RENEWAL MISSION**

17. The Government of India has approved 29 projects under JNNURM. This includes 13 projects of PWD roads and flyovers, 11 projects of MCD roads &

flyovers, 3 projects of sewerage of DJB, one project for redevelopment of Connaught Place by NDMC and purchase of 1500 DTC buses. Total cost of these projects is Rs.9424 crore. An amount of Rs. 2800 crore will be contributed by Government of India as their share and remaining will be borne by Government of Delhi.

18. In addition to these 29 projects, 15 projects for construction of EWS houses costing Rs.1814 crore under JNNURM have also been approved. An amount of Rs.769 crore will be contributed by Government of India as their share and remaining Rs.1045 crore by Government of Delhi.

#### TRANSPORT

19. Sir, to improve the quality of Public Transport, we have decided to modernize the DTC fleet with the addition of 3775 Low Floor buses costing Rs.2019 crore. About 2300 low floor air-conditioned and non-air-conditioned buses have already been added and 1475 more buses are likely to be added

by August'2010. We are confident that with this, Public Transport will improve to meet the requirement of the city's growing population. An amount of Rs.675 crore is proposed for purchase of new buses in Annual Plan 2010-11.

20. GPS based automatic vehicle tracking and monitoring system is being launched to ensure quality service and make the system reliable and commuter friendly. This will make "Online Bus Information System" operational.
21. Government has decided to set up a SPV under the Companies Act 1956 to develop and maintain ISBTs, Bus Depots, Bus-Q-Shelters. DTC will thereafter concentrate only on operation and management of bus fleet and routes.
22. To promote the Public Transport system and to discourage the use of personal vehicles, we have also decided that DTC would introduce a special Non-stop service on 50 important routes.

23. Five corridors of Delhi Metro Phase-II have been made functional and the 6<sup>th</sup> corridor of Inderlok to Mundka will be functional shortly. Work on all other remaining corridors i.e. New Delhi Station - Delhi Airport, Central Secretariat - Badarpur, Central Secretariat - Qutub Minar, is progressing as per schedule and will be completed by September, 2010. Delhi Government has invested Rs.1716 crore on Delhi Metro Phase-I and Rs.4439 crore on Delhi Metro Phase-II including Rs.1260 Crore proposed for Annual Plan 2010-11.
24. Flyovers/ROBs/RUBs have been completed at Mukarba Chowk, Bahera Enclave, RR Kohli Marg, Shastri Nagar Pushta, ITO Chungi, Nelson Mandela Marg, Rao Tula Ram Marg, Aruna Asaf Ali - IIT Gate. The flyovers at Azadpur and Naraina are also almost complete. Elevated corridors at Barapulla Nallah, Ring Road Bye-Pass from Salimgarh Fort to Indira Gandhi Stadium, Bridge at Neela Hauz, flyover at NH-24 Bye Pass near

Gazipur and flyover at Shyamlal College will be completed before September, 2010. Delhi Government has invested about Rs.5646 crore on 26 flyovers / ROBs / RUBs being constructed by PWD.

25. Taking into account the increasing number of vehicles on city roads, Government is paying due attention to pedestrian safety and convenience. A massive programme for construction of foot over bridges was started in 2007-08. Construction of 31 Foot-over Bridges has already been completed and 26 more will be completed by PWD before October, 2010.
26. The work on Signature Bridge at Wazirabad at a cost of Rs.1131 Crore will start shortly. Work on approaches for this bridge including flyover on Outer Ring Road at Wazirabad is already in progress.
27. New parking sites by covering Kushak Nallah, Sunehari Bagh Nallah, DPS Mathura Road Nallah

and Ash Pond of I.P. station near Ring Road are being developed and will be completed before Commonwealth Games. Total cost of these facilities is Rs.473 Crore.

28. Work of new streetlights costing Rs.198 Crore on PWD roads is nearing completion. MCD is also being provided Rs.83 Crore for new streetlights on major roads. The work for street scaping of all major intersections and roads leading to Commonwealth Games venues has already been started and will be completed well in time. 50 lakh potted plants at a cost of about Rs.35 crores will beautify major intersections and space along all major roads leading to Games Venues.
29. Transport will continue to be the high priority in Annual Plan 2010-11 with Plan Outlay of Rs.4224 crore which is 38% of the total Plan Outlay.

#### WATER SUPPLY & SANITATION

30. Sir, Hon'ble Members of this august House are aware of the problem of raw water faced by Delhi to



meet the growing water supply requirement of the city. We have adopted a dual approach for optimum utilization of available raw water. As a first step, we took up the construction of Pucca Parallel Channel from Munak to Haiderpur costing Rs.315 Crore. 97% of work has been completed. This will prevent seepage of raw water of about 80 MGD. Government of Haryana has been asked to complete the project at the earliest.

31. In addition, three Waste Water Treatment Plants have been completed and made functional at Haiderpur, Bhagirathi and Wazirabad Water Treatment Plants and work on 4<sup>th</sup> Plant at Chandrawal is nearly completion. With this, water supply will be increased by 45 MGD.
32. Another major project to improve and rationalize the water distribution system in the city is laying of closed conduits from Haiderpur to Wazirabad pond and two new Water Treatment Plants under

construction at Okhla and Dwarka. This project will alleviate water shortage in South & West Delhi.

33. Under Yamuna Action Plan Phase-II, Rehabilitation of Trunk Sewers on Ring Road and Bela Road, laying of new Trunk Sewer Line along Wazirabad Road and renovation/rehabilitation of Keshopur Sewage Treatment Plant will be completed during the year 2010-11. The JICA Mission inspected and appreciated the progress of these works.
34. Sir, to improve the sanitation and environment in the city, we have decided to provide Sewerage System in all rural villages of Delhi and also in unauthorized colonies selected for regularization. Sewerage system could be provided in 7 rural villages and 98 unauthorized colonies till now.
35. Three projects have been approved under JNNURM by Government of India to improve the sewerage system and also to check pollution in River Yamuna. These projects are:-

- (i) Laying of Interceptor Sewers along major drains (Rs.1357 Crore),
  - (ii) Rehabilitation of Trunk Sewers (Rs.253 Crore),
  - (iii) STPs at Nilothi & Dwarka, SPS at Possangipur & Raja Garden (Rs. 285 crore).
36. For Water Supply and Sanitation Sector, I propose an outlay of Rs.1500 crore for Annual Plan 2010-11.

### HEALTH

37. Sir, in the last Budget speech, I mentioned that Government has undertaken a programme for expansion of the major hospitals to take care of the increasing patient load. 500-bedded Ward Block at GTB hospital Shahdara is nearing completion and will be fully functional during the year 2010-11. Construction of the Orthopedic Block at LN hospital has been completed. New Referral Block at GB Pant hospital is nearing completion. The bed capacity of Pant hospital will increase from 600 to 700 beds by September 2010.

38. Sir, ILBS has started functioning with OPD and Indoor services. The construction of Phase-II involving a cost of Rs.389 Crore has also started. Indoor services will be started at Delhi State Cancer Institute in next two months. OPD services have been started at Chowdhary Brahm Prakash Ayurvedic Sansthan at Khera Dabar and indoor services will be started in 2010-11.
39. Government has decided to set up three 200-bedded hospitals at Vikaspuri, Burari and Ambedkar Nagar and 750-bedded hospital at Dwarka under PPP mode.
40. Sir, I propose an amount of Rs.1243 Crore for Health Sector in Annual Plan 2010-11, which is 11% of the total plan outlay.

### EDUCATION

41. Sir, we are committed to improve the quality of education in Government and Government aided schools for which a number of steps have been initiated. The first is to set up new schools in

localities which do not have adequate number of schools. For the next academic session, 5 new schools have already been started, 4 schools have been upgraded and another 13 more schools are proposed to be upgraded. Government has started Pre-Primary classes in all Sarvodaya vidyalayas.

42. Sir, eight new school buildings and 1000 classrooms have been constructed by Education Deptt. in this financial year. Construction of 17 school buildings will be started in 2010-11. Roopantar Project to renovate the remaining school buildings in Trans-Yamuna area and North West-A district will continue during 2010-11.
43. Sir, Government is providing subsidy @ Rs.500 on school uniforms to students of Delhi Government and girl students of Government aided schools. MCD is providing Rs.200 for Uniform each year and Rs.125 to students of Class I & Class III for Jersey. I propose to revise the rates of uniform subsidy from the academic session 2010-11 as under: -

- i) Rs.500 per annum to students of MCD primary schools, at par with the students of Delhi Government and Government aided schools; and
- ii) Rs.700 per annum to students of VIth to XIIth class of Delhi Government and Government aided schools.

About 26 lakh students will be benefited under this scheme with subsidy amount of Rs.156 crore during the year 2010-11.

- 44. In case of aided schools, the benefit of uniform subsidy and textbook subsidy is being given only to the girl students. Sir, I propose to extend this facility to the boy students as well from the academic session 2010-11.
- 45. Sir, for promotion of literacy and enrolment in schools among the educationally backward minority students, I propose to enhance the amount of scholarship by Rs.50 from next academic session.

46. The construction of campus of GGSIP University at Dwarka is almost complete and University will start functioning from the new campus from next academic session. Ambedkar University will start functioning from Kashmere Gate Campus, so vacated.
47. Sir, the Hon'ble Members are aware that Delhi College of Engineering has been upgraded as Delhi Technological University. The students of Delhi are going to benefit with the expansion of intake capacity by 410 additional seats at Graduation and Post-graduation level courses including MBA, with intake of 60.
48. Sir, to increase the intake of the Technical and Higher Education Institutions affiliated with GGSIP University, Government has decided to allow second shift in 16 institutions with the capacity of 2220 in 34 higher education/technical education courses. The institutions will deposit 25% of the fee of the second session in the Delhi Higher Education

Aid Trust. Delhi Government has also released Rs.1 Crore as its contribution to the Trust. Scholarship will be provided by this Trust to the students from economically weaker sections for higher education.

49. I propose an outlay of Rs.1122 crore for Education Sector which is 10% of total plan outlay.

### INDUSTRIES

50. Sir, Government has reformulated the industrial policy for the period 2010-2021 with the objective to promote high-tech, non-pollutant, knowledge based industry in Delhi. The existing units will also be encouraged to convert into high-tech, non-pollutant and skilled industries.
51. Two Special Economic Zones will be set up in Delhi for IT & ITES and Gems & Jewellery Sectors. The Gems & Jewellery SEZ is being set up in an area of 41.4 acres at a cost of Rs.490 Crore. This SEZ will provide direct employment to more than 18,000 people. The SEZ for IT and ITES is being set up in



an area of about 26 acres involving a cost of Rs.400 Crore, and will provide direct employment to more than 36,000 people. These two SEZs will be set up under PPP through independent SPVs.

## ENERGY

52. Sir, it is a matter of great pleasure for me to announce that Government has made arrangements for assured power supply during the year 2010-11. Delhi will be a surplus power state during the year 2010-11.
53. Three units of Bawana Power Plant generating 750 MW, will be commissioned by September 2010 and remaining three units of the plant will be commissioned by March'2011. About 500 MW will be available to Delhi by October'2010 from Jhajjar Power Plant, which is a joint sector Plant set up by Governments of Delhi and Haryana and NTPC. The entire share of 750 MW will be available from this plant to Delhi by March 2011. An amount of Rs.1559 Crore is equity share of Government of

Delhi for Bawana Power Plant and Rs.577 Crore is equity share for Aravali Power Plant at Jhajjar.

54. To further improve the power supply position, Delhi Transco is going to commission 400 KV Sub-station at Mundka and 3 new 220 KV Sub-stations at Masjid Moth, Ridge Valley and IGI Airport shortly.
55. The performance of the Distribution Companies may be categorized as successful keeping in view their achievement in bringing down the AT&C losses from more than 50% in 2002 to below 20% in 2008-09. DERC has fixed the target for AT & C losses to be brought down to 17% by BRPL and NDPL and 20% by BYPL by the end of next financial year.
56. An amount of Rs.110.80 crore is proposed for Energy Sector in 2010-11.

#### HOUSING & URBAN DEVELOPMENT

57. Sir, I mentioned in my last Budget speech that about 8000 EWS flats have been constructed under

JNNURM. We have decided to allot these flats for relocation of JJ Clusters. In addition, 7000 flats are under construction at Bapraula, Bawana and Ghogha. Efforts are being made to get land for construction of more EWS houses under JNNURM.

58. Sir, our Government initiated the process of regularization of unauthorized colonies following the guidelines issued by Ministry of Urban Development, Government of India in October 2007. As a first step, applications were invited till 30.04.2008 from RWAs of unauthorized colonies. List of 1639 colonies was forwarded to various agencies MCD, DDA, ASI, Forest Department, Revenue Department for scrutiny of the documents and their layout plans. With our concerted efforts the Layout Plans and other details of 700 unauthorized colonies, which have been cleared by all agencies for regularization, have been forwarded to MCD for approval. Government will also

approach Hon'ble Courts before notification of regularization.

59. We are making best efforts to provide all civic services in these unauthorized colonies. Roads and drains have been constructed in 1033 colonies, piped water supply provided in 726 colonies and streetlights in 1174 colonies. MCD is being provided Rs.60 crore per annum for sanitation services. We have already invested Rs.2851 crore in providing services in these colonies till now and an amount of Rs.749 crore is proposed for 2010-11.
60. An outlay of Rs.1417 crore is proposed for Housing & Urban Development sector in Annual Plan 2010-11 which is 13% of total plan outlay.

#### SOCIAL SECURITY & WELFARE

61. Sir, Government is committed to provide social security to senior citizens and other vulnerable groups of the society. Old age pension is being given to two lakhs fifty thousand senior citizens @

Rs.1000 PM. Hon'ble Members have desired that the number of beneficiaries may be increased. We have, therefore, decided to provide old age pension to one-lakh more senior citizens in the next year. Rs.420 Crore is proposed for 2010-11 as compared to Rs.310 crore in the current year for Old Age Pension.

62. Government has setup nine Tribunals under Senior Citizens Maintenance Act for timely disposal of grievances of senior citizens.
63. Sir, in my last speech, I announced a programme to provide free aids and appliances to persons with disabilities. I am happy to announce that implementation of the scheme has started during the current year. About 3950 persons have been benefited under this programme. Government has decided to have more camp based programmes all over Delhi and provide free aids and appliances to the disabled.

64. The Asha Kiran Home, which houses the mentally challenged, is facing the problem of over crowding and shortage of staff. We have started recruitment of specialist doctors, nurses, ayas and safai karmcharies. A special ward is being created in Ambedker Hospital for exclusive treatment of patients from Asha Kiran. A team of doctors from IHBAS would periodically examine the inmates and maintain individual medical records. Further, as a policy, Govt. in partnership with reputed NGOs will open and run new homes for the mentally challenged.
65. An amount of Rs.476.50 crore is proposed for Social Welfare Sector in the Annual Plan 2010-11.

**EMPOWERMENT OF WOMEN & CHILD DEVELOPMENT**

66. The Ladli Scheme introduced in January 2008 has shown a positive impact in improving the sex ratio. The Scheme has also contributed towards enrolment of more girls in the schools and a much-needed change in societal attitude towards girls. I

am happy to inform that in the current year the enrolment under Ladli scheme is expected to touch one lakh fifty thousand. I am, therefore, proposing a higher allocation of Rs.103 crore in 2010-11 as against Rs.86 crore in 2009-10 for Ladli scheme.

67. The widow pension scheme has proved a source of support to the needy. We are providing pension to more than forty two thousand widows. Keeping in view the importance of the scheme in providing security to the widows, I propose plan outlay of Rs.46 crore in 2010-11.
68. An amount of Rs.330 crore is proposed for Women & Child Development including Nutrition Sector in Annual Plan 2010-11.

## PART – B

69. Speaker Sir, Numerous Infrastructure Projects including Metro, Flyovers, expansion of Health & Education facilities, Social Security schemes like Widow Pension, Ladli Scheme for Girls, Midday Meals, etc. have been successfully implemented by us. During the last two years we have seen increase in expenditure on Commonwealth Games related projects and schemes. Our revenue collection through taxes has not been adequate due to recession. Therefore, it has become essential to look for measures to generate additional revenue to sustain development.

### VAT

70. VAT rates of various commodities in Delhi, which are less than the rates suggested by the Empowered Committee of State Finance Ministers, are termed as deviations. A number of deviations have been done in the past. On account



of these deviations we have incurred losses in our revenue collection as well as reduced compensation from the Central government. I propose to remove such deviations on items / commodities and levy VAT as follows :

**From exempted (0%) to 5%**

1. Compressed natural gas (CNG) for use in transport sector
2. Rassi, Ban & Newar
3. Bio inputs like Fertilizers and Micro-nutrients and plant growth promoters
4. Kerosene stoves, lanterns and petromax and their spares
5. Embroidery and zari items

**From exempted (0%) to 12.5%.**

1. Motion Picture distribution when treated as right to use goods
2. Plastic scrap/ glass scrap.

**From 5% to 12.5%**

1. All other scraps
2. Dry fruits and kesar and magaj of all kind
3. Desi Ghee
4. Household plastic items
5. Plastic and tin containers including barrels

6. Wood and timber and plywood and laminated boards
7. Fitting for doors and windows and furniture
8. Wire mesh and metal mesh
9. Paintbrushes
10. Tractor tyres and tubes
11. Cocoa and coffee including coffee beans
12. Invertors
13. All Utensils and cutlery items (including Pressure cookers / Pans) except those made of precious metals
14. Fertilizers, pesticides, weedicides, insecticides, herbicides, rodenticides and plant growth regulators (other than those covered in First Schedule)
15. Glucose D
16. Locks
17. Weights and Measures
18. Fibre Board and particle board
19. Tea

**From 12.5% to 20%**

Diesel

It may also be added that Goods and Service Tax (GST) is likely to be introduced from next financial year and the GST envisages minimum number of exemptions.

Therefore, removal of deviations would be a step in that direction. It is expected that removal of these deviations will bring additional revenue of approximately Rs.850 crores. However, in order to ensure that these measures do not impact cost of living of common man I intend to continue concessions on following items :

1. Kirana Items except dry fruits, kesar and magaj of all kind
2. Foodgrains, Atta, Maida, Suji
3. Amla, Harad, Bahera, Shikakai, Supari, Ratanjot, Khusak, Pudina
4. Hawan Samagri and Incense Sticks
5. Unbranded goli and toffee
6. Midday Meal supplied by agencies approved by the Delhi Govt. and Local Bodies to schools
7. Jute and all kind of jute products including natural dyes and bleached, diversified, plain and laminated jute products
8. School Bags with MRP upto Rs.300/-
9. Tricycles meant for use by persons with disability
10. Blood filters
11. Compact Fluorescent Lamp and electronic choke

12. Natural Gas and R-LNG (Re-gassified Liquid Natural Gas) sold to power generation companies owned by Government of NCT of Delhi for generation of power meant for sale in Delhi)
13. Piped Natural Gas
71. To tap luxury segment, I propose to increase VAT on writing instruments costing above Rs.1,000/- from present 5% to 12.5%, watches above Rs.5,000/- from 12.5% to 20%, Mobile Phones and all mobile accessories above Rs.10,000/- from 5% to 12.5%, readymade garments above Rs.5,000/- from 5% to 12.5%. This measure is likely to generate approximately Rs.100 crores as additional revenue.
72. I propose to enhance VAT on aerated drinks from 12.5% to 20% as a measure to generate additional revenue to the tune of Rs.10 crores.
73. To give relief to Thalesemia patients we have already exempted “Desferrioxamine”, “Deferiprone” and Blood Filters (Lucocytes Filter) used for treatment of Thalassemix. I also propose to exempt

new Oral Iron Chelator Deferasirox by including it in the First Schedule of the Act.

74. Government of Delhi has constituted the Delhi Dispute Resolution Society with the objective to establish institutionalized mechanism of alternate dispute resolution. I propose to frame a mechanism of mediation to resolve disputes of Sales Tax / Value Added Tax cases by appropriately amending the DVAT Act, 2004.

### **Subsidy**

75. Speaker Sir, you may recall that Government of India enhanced the price of domestic LPG by Rs.50/- in June, 2008. To lessen the burden on consumers, Government of Delhi decided to provide a subsidy of Rs.40/- on domestic LPG cylinder (14.2 Kg.). Due to this, Government of Delhi is bearing a burden of approximately Rs.160/- to Rs.170 crores per annum. However, as the prices of LPG have been reduced by the Central

Government in 2009, therefore, I propose to withdraw this subsidy.

**Stamp & Registration**

76. The registration fee charged on various documents under **Indian Registration Act**, as applicable to Delhi, is meager. The maximum registration fees is Rs.100/- in NCT of Delhi. It is proposed to bring it at more realistic level by raising maximum registration fee to Rs.500/- and registration fees in other slabs will also be enhanced proportionately. It is likely to generate additional revenue of Rs.6 crores.
77. Sir, I commend the budget for the consideration of the House.

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