

**(TO BE PUBLISHED IN PART IV OF THE DELHI GAZETTE - EXTRAORDINARY)
GOVERNMENT OF NATIONAL CAPITAL TERRITORY OF DELHI
FINANCE (REVENUE I) DEPARTMENT
DELHI SACHIVALAYA, I.P.ESTATE, NEW DELHI-110002**

No.F.3(29)/Fin(Rev-I)/2015-2016/dsvi/93

dated 18/03/2016

NOTIFICATION

No.F.3(29)/Fin(Rev-I)/2015-2016 . Whereas the Lt. Governor of the National Capital Territory of Delhi is of the opinion that it is expedient in the interest of general public so to do.

Now, therefore, in exercise of the powers conferred by sub-section (12) of section 16 of the Delhi Value Added Tax Act, 2004 (Delhi Act 3 of 2005), (hereinafter referred to as "the Act"), the Lt. Governor of the National Capital Territory of Delhi, subject to the conditions specified in column (3) against the classes of dealers specified in column (1) of the Table below, and other general conditions as prescribed in this notification, hereby, provides for the scheme of composition of tax payable by the said dealers as specified in column (2) of the said Table, namely :-

TABLE

Eligible class or classes of dealers	Composition Amount	Conditions
1	2	3
<p>Every registered dealer whose turnover during the preceding year as well as the expected turnover during the current year does not exceed fifty lakh rupees and who is not making any sales other than that of ready to eat foods and non-alcoholic beverages including cooked food, snacks, sweets, savouries, juices, aerated drinks, tea and coffee etc. served in or catered indoors or outdoors by hotels, restaurants, sweet-stalls, sweet shops, clubs, caterers and any other eating houses:</p> <p>Provided that the condition of turnover during preceding year shall not apply to a dealer who commences his business during the current year.</p>	<p>Five percent of the entire turnover</p>	<p>(1) The dealer shall, -</p> <p>(a) not be eligible for making purchases from or procuring goods from or making sales to or making supplies to any place outside Delhi;</p> <p>(b) not be eligible for making purchases from a person who is not registered under the Act except in the case of goods specified in the First Schedule;</p> <p>(c) not be eligible to claim tax credit under section 9 of the Act;</p> <p>(d) not calculate his net tax under section 11 of the Act;</p> <p>(e) not collect any amount by way of tax under the Act;</p> <p>(f) not be entitled to issue 'Tax Invoices'; and</p> <p>(g) continue to retain the original copies of all tax invoices and all retail invoices for all his purchases and copies of all retail invoices issued by him in respect of his sales as required under section 48 of the Act.</p> <p>(2) A dealer who is paying tax under section 3 of the Act, can opt for payment of tax under this scheme by filing an application in Form RH 01 appended to this notification within a period of thirty days from the first day of the year with effect from which composition is opted.</p>

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		<p>(3) A dealer applying for a fresh registration can also opt for this scheme by filing application in Form RH 01 appended to this notification alongwith his registration application in Form DVAT 04.</p> <p>(4) A dealer opting to pay tax under this scheme shall pay tax, at the rates specified in section 4 of the Act, on the value of the opening stock held by him on the first day from which he opts for this scheme and shall furnish the details of such opening stock in Form RH 02 appended to this notification along with proof of payment of due tax in Form DVAT 20, with his application in Form RH 01.</p> <p>(5) Once a dealer has opted to pay tax under this scheme, he shall, except under the circumstances described at Sl. No. (6) below, not be eligible to withdraw his option before the end of the year for which opted to pay tax under this scheme.</p> <p>(6) A dealer who, having opted to pay tax under this scheme for a particular year, does not intend to opt for payment of tax under this scheme for the following year, shall, subject to the conditions contained in section 20 of the Act in so far as they are applicable and further subject to furnishing of intimation regarding withdrawal from this scheme in form RH 03 within thirty days from the end of the year for which opted to pay tax under this scheme, be eligible to claim credit of tax paid on the opening stock held by him on the first day of said following year.</p>
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General conditions : (1) All the provisions of the Act and the rules made thereunder which are not contrary to this scheme shall apply to every dealer opting to pay tax under the scheme.

(2) The tax period for the dealers opting to pay tax under this scheme shall be a quarter unless otherwise prescribed by the Commissioner for a dealer or class of dealers.

(3) In view of the second proviso to sub-section (1) of section 16 of the Act a dealer who has already opted for composition scheme as per sub-sections (1) to (11) of section 16 and who is covered under the class of dealers described in column 1 of the above table, shall mandatorily withdraw from the composition scheme with effect from 1st April, 2016 by filing application in Form DVAT 03 upto 30th April, 2016. However, such dealers can opt for composition under this scheme as per the procedure explained above.

(4) Notwithstanding anything contained in this notification, the Commissioner may notify, by a special or general order, that any or all of the forms appended to this notification shall be filed online.

(5) Tax paid by a dealer under this scheme shall not be adjusted at any stage against the liability of the dealer to pay tax under section 3 of the Act for any period other than the period for which the dealer was eligible for paying tax under this scheme.

(6) If the turnover of a dealer who opted to pay tax under this scheme exceeds fifty lakh rupees at any time during the year for which so opted, he shall be liable to pay tax under section 3 of the Act on and from the date his turnover exceeds fifty lakh rupees and he shall, subject to the conditions contained in section 20 of the Act in so far as they applicable and further subject to furnishing the intimation in Form **RH 03** within seven days from the date on which turnover exceeded fifty lakh rupees, be entitled to claim credit of the input tax paid on opening stock held by him in Delhi on such day.

(7) A dealer who has opted to pay tax under this scheme and has defaulted to furnish the returns for two consecutive tax periods by the prescribed due dates shall, with effect from the first day of the tax period immediately next to the latter tax period in respect of which the default has been committed –

- (i) cease to be liable to pay tax under this scheme,
- (ii) be liable to pay tax under section 3 of the Act.

Such a dealer shall, subject to the conditions contained in section 20 of the Act in so far as they applicable and further subject to furnishing the intimation in Form **RH 03** within seven days after the end of due date prescribed for filing of return for the latter tax period in respect of which the default has been committed, be eligible to claim credit of the tax paid under this Act on the opening stock held by him in Delhi on the first day of the tax period immediately next to the latter tax period in respect of which the default has been committed.

(8) In case a dealer has opted for this scheme but has failed to comply with the conditions specified therein or who, at any later stage, is found not eligible for having opted this scheme, all the provisions of the Act including the liability to pay tax under section 3, along with interest due for delay, if any, shall apply *mutatis mutandi* as if the dealer has never opted for this scheme.

This notification shall come into force with effect from the 1st day of April, 2016.

FORM RH01

[See notification under section 16(12)]

Application Form for opting Composition by an eligible dealer engaged in making sales of restaurant and halwai items under the scheme as notified by Government under sub-section (12) of section 16

*Ward No.

1. TIN

2. Full Name of Applicant Dealer

3. Full Address of Dealer

4. Year for which the composition scheme is sought* -

* hereinafter referred to as "current year"

5. Turnover in the preceding year (Rs.)

6. Estimated Turnover in the current year (Rs.)

7. Tax payable on opening stock held on the first day with effect from which scheme is being opted

Fair market value* or Purchase Value of the opening stock (whichever is higher) (Rs.)	Tax payable (Rs.)
<input type="text"/>	<input type="text"/>

8. Details of Tax paid as per the details at (7) above

Description	Details			
(i) Amount of tax paid* (Rs.)	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
(ii) Date of Deposit	<input type="text"/>	/	<input type="text"/>	/
	dd		mm	yyyy
(iii) Challan No. if any	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

(* Please attach original challan / proof of deposit)

Name and signature of applicant / authorized signatory

Department of Trade and Taxes
Government of NCT of Delhi

FORM RH02

*[See notification under section
16(12)]*

**Statement of opening stock held on the first day of the year from which
composition is to be opted**

1. TIN	
2. Full Name of Business	
3. Total Value of the Stock as on first day with effect from which composition scheme	
4. Details of Stock purchases (as per Table Table)	

S.No.	Description of goods	Quantity	Purchase Value	Rate of tax	Tax payable

* The above table can be prepared and attached with the form as per the requirement

Certification of Details

I/We _____ hereby certify that all the above-mentioned stock details are true and correct to the best of my/our knowledge. Further certified that the particulars indicated above are the correct version of the documents, which are in my/our possession and can be produced before the Value Added Tax Department on demand.

Signature of the dealer

Name:

Address:

Date:

Place:

