

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

No. F.3(57)/Fin(T&E)/2005-06/893 kha

Dated : 30.11.2005

**NOTIFICATION**

No. F.3(57)/Fin(T&E)/2005-06/ - 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 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 the notification, hereby, provides for the composition of tax payable by the said dealers as specified in column (2) of the said Table, namely:-

**TABLE**

<b>Eligible class or classes of dealers</b>	<b>Composition Amount</b>	<b>Conditions</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>
Every registered dealer engaged exclusively in works contracts of the nature of Civil Construction i.e. construction, electrification, fitting out, improvement or repair of any building or complex, residential or commercial, bridge, flyover, dam or other similar structure or of any canal or	(i) Three per cent of the turnover if the dealer opting to pay tax under this scheme makes all the purchases and the sales during the period for which composition is opted within Delhi only.	(1) The dealer shall - (a) not be eligible for making purchases, within Delhi, from a person who is not registered under the Act except in the case of goods specified in the First Schedule; (b) not be eligible to claim tax credit under section 9, 14 and 15 of the Act; (c) not calculate his net tax under section 11 of the Act; (d) not collect any amount by way of tax under the Act; (e) not be entitled to issue 'Tax Invoices'; (f) 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>road or such other similar activities as may be specified by the Commissioner from time to time.</p>	<p>(ii) Four per cent of the entire turnover on account of works contracts executed in Delhi if the dealer is engaged in procuring goods from any place outside Delhi or in supplying goods to any place outside Delhi.</p>	<p>(g) not make interstate purchases of the material on the strength of his registration certificate or declaration Forms/certificates i.e. C Form, D Form, E-I Form, E-II Form and 'F' Form, for the purpose of utilising it in the execution of works contracts; and</p> <p>(h) not import or procure goods from outside the country.</p> <p>(2) Where the dealer has made any payment to a sub-contractor for the execution of works contract whether wholly or partly, and the sub-contractor has also opted to pay tax under this scheme, the dealer shall issue a certificate to such sub-contractor, in Form <b>CC 01</b> appended to this notification and such sub-contractor shall be eligible to reduce his turnover liable to be taxed under this scheme by the amount mentioned in the said certificate by enclosing it with his return. Such amount shall not constitute part of the field 3 of DVAT 17 for such sub-contractor. The contractor shall not deduct TDS from payments made to such sub-contractors in respect of the turnover covered by the certificate.</p> <p>(3) The application for opting this scheme shall be in Form <b>WC 01</b> appended to this notification and the option once exercised shall be valid for a period of three consecutive years.</p> <p>(4) The dealer applying for a fresh registration can opt for this scheme by filing an application in Form <b>WC 01</b> appended to this notification along with their registration application in Form DVAT 04. A dealer who is paying tax at the rates specified in section 4 of the Act, shall opt this scheme by filing an application in Form <b>WC 01</b> appended to this notification within a period of thirty days -</p> <p>(i) from the first day of the year with effect from which composition is opted, or</p> <p>(ii) from the day of the notification of this</p>
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		<p>scheme, in case the scheme is opted for the remaining period of the year 2005-06.</p> <p>(5)(a) The dealer shall pay tax at the rates specified in section 4 of the Act on the opening stock of goods, held by him on the first day with effect from which the dealer opts to pay tax under this scheme, where such stock has been purchased within Delhi or purchased on the strength the registration certificate or declaration Forms or certificates in the course of interstate trade.</p> <p>(b) The dealer shall reverse the input tax credit claimed on the capital goods during the three years immediately preceding the first day with effect from which the dealer opts to pay tax under this scheme.</p> <p>(c) The dealer shall furnish, along with his application for opting the scheme, the details of such opening stock and such capital goods, as mentioned in (a) and (b) above, in Form <b>SS 01</b> appended to this notification and the proof of payment of tax in DVAT 20.</p> <p>(6) A dealer who has opted for this scheme can reverse his option only from the 1<sup>st</sup> day of the following year by filing an application in Form <b>WC 02</b> appended to this notification within a period of thirty days from the first day of the following year.</p> <p>(7) The dealer dealing in works contracts other than private works contracts shall make an application to the contractee authorising him to deduct tax at the applicable rate of composition amount (i.e. three per cent or four per cent, as the case may be) towards the tax payable under the Act instead of two per cent as provided in sub-section (1) of section 36A.</p> <p>Note - Private contract for the purpose of this means a contract undertaken for any</p>
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		<p>person other than - (1) the Central Government; or the State Government or their departments or their undertakings or their cooperative societies and (2) a company registered under the Companies Act, 1956 (1 of 1956).</p> <p>(8) The dealer shall not be eligible to discharge his tax liability under the Act in accordance with the provisions of sub-section (4) of section 105.</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) A dealer who has opted to pay tax under this scheme and has defaulted to furnish the returns for two consecutive tax periods shall cease to remain a composition dealer with effect from the first day of the period immediately next to the tax period in respect of which the default has been committed.

(4) 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 the scheme, all the provisions of the Act including the liability to pay tax at the rate specified in section 4, along with interest due for delay, if any, shall apply *mutatis mutandi* as if the dealer has never opted for the composition scheme and the amount deposited by such dealer as the composition amount, if any, shall stand forfeited.

This notification shall come into force with immediate effect.

**(Dr. Pooja Gupta)**  
**Dy. Secretary, Finance (T&E)**

F.3(57)/Fin(T&E)/2005-06/896 kha

Dated 30.11.2005

Copy forwarded for information and necessary action to:-

1. The Pr. Secretary (GAD), Govt. of NCT of Delhi with one spare copy for its publication in Delhi Gazette Part-IV (extraordinary) in today's date.
2. The Secretary, Govt. of India, Ministry of Home Affairs, North Block, New Delhi.

- (Dr. Pooja Gupta)**  
**Dy. Secretary, Finance (T&E)**

# Form WC 01

**(PART-A)**

<b>1. TIN</b>											<b>Ward No.</b>	
<b>2. Full Name of Applicant Dealer</b>												
<b>3. Full Address of Dealer</b>												
<b>4. Year with effect from which composition scheme is sought*</b>					-							

\* hereinafter referred to as “current year”

5. Applicable rate of composition amount\*\*

3%  
of the turnover

4%  
of the turnover

\*\* please tick in the appropriate box

6. Turnover in the preceding year (Rs.)

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

8. Tax Payable on	Description*	Tax Payable (Rs.)									
(i) Opening Stock held on the first day with effect from which scheme is being opted	(i) Trading Stock										
(ii) Capital Goods (in respect of which ITC has been claimed in preceding three years, which is to be reversed)	(ii) Raw material										
	(iii) Packaging Material										
	(iv) Finished Goods										
	(v) Capital Goods										
	Total										

(\* Please complete Part B)

9. Details of Tax paid calculated as per (7) above	Description										
	(i) Amount of tax paid* (Rs.)										
	(ii) Date of Deposit			/		/					
		dd		mm		yyyy					
	(iii) Challan No. if any										

(\* Please attach original challan / proof of deposit)

Name and signature of applicant / authorized signatory

#### 10. Verification

I/We \_\_\_\_\_ hereby solemnly affirm and declare that the information given hereinabove is true and correct to the best of my/our knowledge and belief and nothing has been concealed therefrom.

Signature of Authorised Signatory \_\_\_\_\_  
Full Name (first name, middle, surname) \_\_\_\_\_  
Designation \_\_\_\_\_

Place

Date

Day

Month

Year

Department of Trade and Taxes  
Government of NCT of Delhi

**Form WC 01**

[See notification under section 16(12)]

**(PART-B)**

**Details of the Stock held on the first day [i.e. on \_\_\_\_\_ (date)]  
of the period for which the composition is sought**

**(i) Details of Trading Stock**

	Rate wise details of the Trading Stock	Purchase Value (Rs.)	Fair Market Value* (Rs.)	Tax Payable (Rs.)
A	Goods taxable at 1%			
B	Goods taxable at 4%			
C	Goods taxable at 12.5%			
D	Goods taxable at 20%			
E	Total		Carry to field (7)(i) of part A	

(\* As at opening day of the period for which is being opted)

**(ii) Details of Raw Material**

	Rate wise details of the Raw Material	Purchase Value (Rs.)	Fair Market Value* (Rs.)	Tax Payable (Rs.)
A	Goods taxable at 1%			
B	Goods taxable at 4%			
C	Goods taxable at 12.5%			
D	Goods taxable at 20%			
E	Total		Carry to field (7)(ii) of part A	

(\* As at opening day of the period for which is being opted)

**(iii) Details of Packaging Material.**

	Rate wise details of the Packaging Material	Purchase Value (Rs.)	Fair Market Value* (Rs.)	Tax Payable (Rs.)
A	Goods taxable at 1%			
B	Goods taxable at 4%			
C	Goods taxable at 12.5%			
D	Goods taxable at 20%			
E	Total		Carry to field (7)(iii) of part A	

(\* As at opening day of the period for which is being opted)

**(iv) Details of Finished Goods**

	Rate wise details of the Finished Goods	Purchase Value (Rs.)	Fair Market Value* (Rs.)	Tax Payable (Rs.)
A	Goods taxable at 1%			
B	Goods taxable at 4%			
C	Goods taxable at 12.5%			
D	Goods taxable at 20%			
E	Total		Carry to field (7)(iv) of part A	

(\* As at opening day of the period for which is being opted)

(v) Details of Capital Goods

	Rate wise details of the Capital goods	Purchase Value (Rs.)	Fair Market Value* (Rs.)	Tax Payable in consequence of reversal of ITC
A	Goods taxable at 1%			
B	Goods taxable at 4%			
C	Goods taxable at 12.5%			
D	Goods taxable at 20%			
E	Total			

Carry to field  
(7)(v) of part A

(\* As at opening day of the period for which is being opted)

Name and signature of applicant / authorized signatory

**V. Verification**

I/We \_\_\_\_\_ hereby solemnly affirm and declare that the information given hereinabove is true and correct to the best of my/our knowledge and belief and nothing has been concealed therefrom.

Signature of Authorised Signatory \_\_\_\_\_

Full Name (first name, middle, surname) \_\_\_\_\_

Designation \_\_\_\_\_

Place

Date

Day

Month

Year

Department of Trade and Taxes  
Government of NCT of Delhi

**Form WC 02**

[See notification under section 16(12)]

(PART-A)

**Application Form for withdrawing from Composition by a works contractor in respect of scheme as notified by Government under sub-section (12) of section 16 during the year 2005-06**

1. TIN

Ward No.

2. Full Name of Applicant Dealer

3. Full Address of Dealer



\* hereinafter referred to as “current year”

5. Turnover in the preceding year

## 6. Reasons for withdrawal from composition scheme

7. Total value of Opening stock of goods held as on 1 <sup>st</sup> April of the year from which withdrawal is sought	

Name and signature of applicant / authorized signatory

**8. Verification**  
I/We \_\_\_\_\_ hereby solemnly affirm and declare that the information given hereinabove is true and correct to the best of my/our knowledge and belief and nothing has been concealed therefrom.

Signature of Authorised Signatory	_____
Full Name ( <i>first name, middle, surname</i> )	_____
Designation	_____

[illegible]

Date					
	Day		Month		Year

Department of Trade and Taxes  
Government of NCT of Delhi

## Form WC 02

[See notification under section 16(12)]

### (PART B)

### Details of opening stock held on the 1<sup>st</sup> April of the year from which the composition is withdrawn

#### (i) Details of Trading Stock

	Rate wise details of the Trading Stock	Purchase Value (Rs.)	Fair Market Value* (Rs.)
A	Goods taxable at 1%		
B	Goods taxable at 4%		
C	Goods taxable at 12.5%		
D	Goods taxable at 20%		
E	Total	Carry to field (7)(i) of part A	

(\* As at opening day of the period for which is being opted)

#### (ii) Details of Raw material

	Rate wise details of the Raw material	Purchase Value (Rs.)	Fair Market Value* (Rs.)
A	Goods taxable at 1%		
B	Goods taxable at 4%		
C	Goods taxable at 12.5%		
D	Goods taxable at 20%		
E	Total	Carry to field (7)(ii) of part A	

(\* As at opening day of the period for which is being opted)

#### (iii) Details of Packaging materials

	Rate wise details of the Packaging materials	Purchase Value (Rs.)	Fair Market Value* (Rs.)
A	Goods taxable at 1%		
B	Goods taxable at 4%		
C	Goods taxable at 12.5%		
D	Goods taxable at 20%		
E	Total	Carry to field (7)(iii) of part A	

#### (iv) Details of Finished Goods

	Rate wise details of the Trading Stock	Purchase Value (Rs.)	Fair Market Value* (Rs.)
A	Goods taxable at 1%		
B	Goods taxable at 4%		
C	Goods taxable at 12.5%		
D	Goods taxable at 20%		
E	Total	Carry to field (7)(iv) of part A	

Name and signature of applicant / authorized signatory

**V. Verification**

I/We \_\_\_\_\_ hereby solemnly affirm and declare that the information given hereinabove is true and correct to the best of my/our knowledge and belief and nothing has been concealed therefrom.

Signature of Authorised Signatory \_\_\_\_\_

Full Name (*first name, middle, surname*) \_\_\_\_\_

Designation \_\_\_\_\_

Place

Date

Day

Month

Year

Department of Trade and Taxes  
Government of NCT of Delhi

**Form SS 01**

[See notification under section 16(12)]

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

1. TIN \_\_\_\_\_

2. Full Name of Business \_\_\_\_\_

3. Total Value of the Stock as on first day of the period for which composition scheme is to be opted \_\_\_\_\_

4. Details of Stock purchases (as per Table below) \_\_\_\_\_

**Table**

S.No.	Description of goods	Quantity	Purchase Value

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

5. Details of capital goods on which input tax credit has been availed during the preceding three years.

S.No.	Description of goods	Quantity	Purchase Value

**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:

Department of Trade and Taxes  
Government of NCT of Delhi

**Form CC 01**

[See notification under section 16(12)]

**CERTIFICATE BY THE CONTRACTOR**  
(for the tax period from.....to.....)

I.....(Name of the person signing the declaration).....  
(Proprietor/Partner/Director/Manager/Secretary/Karta/Trustee/Office) in charge of  
M/s..... who is a registered dealer holding TIN.....  
under the Delhi Value Added Tax Act, 2004, hereby certify that I have opted to pay tax under  
the composition scheme as notified under section 16(12), vide notification dated.....,  
mentioned in the said notification at serial no....., w.e.f. ...., and that I have  
awarded sub-contract work to M/s..... who is also a registered dealer  
holding TIN.....

The details of the sub-contract are as under:-

Sl. No.	Particulars of works contracts awarded as sub-contract	Date of allocation of sub-contract	Value of sub-contract	Total amount of payments made to sub-contractor during the period from...to....	Balance value of the sub-contract	Last date for completion of sub-contract, if any
(1)	(2)	(3)	(4)	(5)	(6) (4-5)	(7)
1.						
2.						
3.						
4.						
	TOTAL					

\*I further certify that I have deposited the due tax to the govt. treasury in respect of the amount mentioned in column 5 above.

\*I further undertake I shall deposit the due tax to the govt. treasury in respect of the amount mentioned in column 5 above.

Name and signature of contractor / authorized signatory

Signature of Authorised Signatory \_\_\_\_\_

Full Name (*first name, middle, surname*) \_\_\_\_\_

Designation \_\_\_\_\_

[illegible]

Date					
	Day		Month		Year

\* Strike out whichever is not applicable