

Department of Trade and Taxes  
Government of NCT of Delhi

**Form DVAT 02**

[See Rule 5(3)]

**PART - A**

**Application For Opting For Composition Scheme**

(Only to be used by a dealer registered under Delhi Sales Tax Act or Delhi Sales tax on Works Contract Act or Delhi Sales Tax on Right to Use Goods Act)

1. Registration No. under Delhi Sales Tax Act or Delhi Sales tax on Works Contract Act or Delhi Sales Tax on Right to Use Goods Act																			
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2. Full Name of Applicant Dealer <i>(For individuals, provide in order of first name, middle name, surname)</i>																				

3. Nature of Business <i>(Tick <input checked="" type="checkbox"/> all applicable)</i>	<input type="checkbox"/> Trader	<input type="checkbox"/> Works Contractor	<input type="checkbox"/> Leasing	<input type="checkbox"/> Others (specify) _____
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4. Year in which composition scheme is sought*	2	0	0	5	-	2	0	0	6
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\* hereinafter referred to as "current year"

5. Turnover in the preceding year (Rs.)																			
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6. Estimated Turnover in the current year (Rs.)																			
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7. Tax Payable on Opening Stock lying at the beginning of the current year [under section 16(6)]	Description*	Tax Payable (Rs.)																		
	(i) Trading Stock																			
	(Ii) Raw material																			
	(iii) Packaging Material																			
	(iv) Finished Goods																			
	Total																			

(\* Please complete Annexure 1)

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

(\* Please attach original challan / proof of deposit under section 16(8))

9. 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/Status	_____

Place																				
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Date								
	Day	Month	Year					

**Instructions** for dealers opting for composition scheme (For details refer Section 16 and Rule 5(3)):

- Dealers opting for the composition scheme would be liable to pay tax @ one per cent on his turnover.
- The application for opting to pay tax under the composition scheme has to be filed by **30<sup>th</sup> April 2005**.
- Following class of dealers are **not eligible** to opt for the composition scheme:
  - Dealers whose turnover during the preceding year or expected turnover during the current year exceeds fifty lakh rupees.
  - Dealers procuring goods from any place outside Delhi or selling or supplying goods to any place outside Delhi at any time during the current year.
  - Dealers registered under the Central Sales Tax Act, 1956.
- Dealers opting for the composition scheme **cannot-**
  - make purchases of goods meant for resale from a person who is not a registered dealer under the Act;
  - issue a tax invoice;
  - collect any amount of tax under the Act from customers; or
  - claim input tax credit on their purchases.

5. Once the dealer has opted for the composition scheme, the option of withdrawal is available only after the end of the year in which the option is made. Thus, dealers have to continue under the instant scheme up to the end of the financial year and the option of withdrawal would be available only at the beginning of next financial year. However if the turnover of the dealer exceeds fifty lakh rupees during the year, he shall be liable to pay tax under section 3 on and from the day his turnover exceeds fifty lakh rupees. Such dealer shall intimate the Commissioner within 7n days of his becoming liable to pay tax under section 3.
6. The dealer opting for the composition scheme has to pay tax at rates specified in Section 4 of the Act on the stock of trading stock, raw materials, packaging material and finished goods lying with him on 1<sup>st</sup> April 2005, provided the goods have not suffered tax under the Delhi Sales Tax Act or Delhi Sales tax on Works Contract Act or Delhi Sales Tax on Right to Use Goods Act.
7. The dealer opting for the composition scheme cannot claim input tax credit on the opening stock of trading stock, raw materials, packaging material and finished goods lying with by him on 1<sup>st</sup> April 2005, on which tax has already been levied under the Delhi Sales Tax Act or Delhi Sales tax on Works Contract Act or Delhi Sales Tax on Right to Use Goods Act.
8. Dealers would be required to retain the tax invoices and retail invoices for all his purchases as required u/s 48 i.e. for a period of at least seven years.

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#### PART - B

(i) Details of Trading Stock as at 1<sup>st</sup> April, 2005 and tax payable thereon.

	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 main form to (7)(i) →		

(\* As at 1<sup>st</sup> April, 2005)

(ii) Details of Raw Material as at 1<sup>st</sup> April, 2005 and tax payable thereon.

	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 main form to (7)(ii) →		

(\* As at 1<sup>st</sup> April, 2005)

**(iii) Details of Packaging Material as at 1<sup>st</sup> April, 2005 and tax payable thereon.**

	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%	Carry to main form to (7)(iii)		
E	Total			

(\* As at 1<sup>st</sup> April, 2005)

**(iv) Details of Finished Goods as at 1<sup>st</sup> April, 2005 and tax payable thereon.**

	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%	Carry to main form to (7)(iv)		
E	Total			

(\* As at 1<sup>st</sup> April, 2005)

**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/Status \_\_\_\_\_

Place

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Date

Day	Month	Year	