

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

No.F.3(23)/Fin.(T&E)/2009-10/jsfin/287

Dated: 01.04.2010

**NOTIFICATION**

No.F.3(23)/Fin.(T&E)/2009-10/ - In exercise of the powers conferred by section 102 of the Delhi Value Added Tax Act, 2004 (Delhi Act 3 of 2005) read with the Delhi Value Added Tax (Amendment) Act, 2009 (Delhi Act 01 of 2010), the Lt. Governor of the National Capital Territory of Delhi, hereby, makes the following rules further to amend the Delhi Value Added Tax Rules, 2005, namely :-

**RULES**

**1. Short title and commencement**

- (1) These rules may be called the Delhi Value Added Tax (Second Amendment) Rules, 2010.
- (2) They shall come into force with immediate effect.

**2. Insertion of new rule 6A**

In the Delhi Value Added Tax Rules, 2005 (hereinafter referred to as “the principal Rules”), after rule 6, the following rule shall be inserted, namely:-

**6A. Restriction and conditions governing tax credit**

- (1) For the purpose of working out the entitlement of tax credit under sub-section (1) of section 9 of the Act to the extent of proportion of the goods which have been put to sale during the tax period, the input tax credit on the closing stock available with the dealer at the end of every tax period shall be carried forward to the next tax period or the following tax period or periods, as the case may be, till such stock is sold by the dealer:

PROVIDED that this sub-rule shall not prevent the claim of refund of a dealer for sales already effected during the relevant tax period or to a dealer who makes sales in the course of exports out of India, or in the course of inter-State trade and commerce, or, in such cases where the dealer being a manufacturer is required to make purchases of raw materials taxable at a higher rate of tax, while the sales of goods manufactured by him (not being goods exempt under section 6 as specified in First Schedule to the Act) are taxable at the lower rate under the Act.

- (2) Before allowing the claim of input tax credit to a dealer, the assessing authority may satisfy itself that the conditions laid down in clause (g) of sub-section (2) of section 9 of the Act are also satisfied.

- (3) The provisions of sub-section (5) of Section 10 of the Act relating to proportionate reduction of tax credit on purchases of goods sold at a price lower than the purchase price shall apply to the cases where, during the tax period, the dealer receives credit note or notes from the selling dealer on account of discount, commission, rebate, remission in price or incentive, or by whatever name called.

*Explanation* - For the removal of doubt, it is hereby clarified that the provisions of sub-section (5) of section 10 of the Act shall not apply to a case where in the ordinary course of business the goods are sold by a dealer at a loss.

- (4) In the cases where the sale has been made at price lower than the purchase price in pursuance of the administered prices of the oil companies, that is to say, Indian Oil Corporation, Hindustan Petroleum Corporation Ltd. and Bharat Petroleum Corporation Ltd. the provisions of section 10(5) shall not apply.”

**3. Amendment of rule 34**

In the principal Rules, in rule 34, after sub rule (8), the following sub rule shall be inserted, namely:-

“(9) Before allowing the claim for refund to a dealer under section 38 of the Act, the Authority concerned shall satisfy himself that the conditions laid down in clause (g) of sub-section (2) of section 9 of the Act are fulfilled.”

By order and in the name of  
the Lt. Governor of the National  
Capital Territory of Delhi

**(Ajay Kumar Garg)**  
Joint Secretary (Fin./Plan.)

No.F.3(23)/Fin.(T&E)/2009-10/jsfin/287

Dated:01.04.2010

Copy forwarded for information :-

1. The Secretary (GAD), Government of NCT of Delhi (in duplicate with Hindi version) with the request to publish the order in Delhi Gazette Part-IV (extraordinary) in today's date.
2. The Principal Secretary to the Hon'ble Lieutenant Governor, Delhi.
3. The principal secretary to the Chief Minister, Government of NCT of Delhi, Delhi Sachivalaya, I.P. Estate, New Delhi.
4. The Principal Secretary (Finance), Government of NCT of Delhi, Delhi Sachivalaya, I.P. Estate, New Delhi.
5. The Secretary to Finance Minister, Government of NCT of Delhi, Delhi Sachivalaya, New Delhi.
6. The P.A. to the Leader of Opposition, 29, Delhi Legislative Assembly, Old Sectt. Delhi.
7. The Commissioner, Value Added Tax, Vyapar Bhawan, I.P. Estate, New Delhi.
8. The Joint Secretary (Law), Government of NCT of Delhi, Delhi Sachivalaya, I.P. Estate, New Delhi.
9. OSD to Chief Secretary, Government of NCT of Delhi, Delhi Sachivalaya, I.P. Estate, New Delhi.
10. The Registrar, Delhi Value Added Tax Appellate Tribunal, Vyapar Bhawan, I.P. Estate, New Delhi.
11. VAT Officer (Policy), Department of Trade and Taxes, Government of NCT of Delhi, Vyapar Bhawan, New Delhi.
12. Guard File.
13. Website.

**(Ajay Kumar Garg)**  
Joint Secretary (Fin./Plan.)