

COMMERCIAL TAXES DEPARTMENT

From  
**THIRU T. JACOB, I.A.S.,**  
Commissioner of Commercial Taxes,  
Chepauk, Chennai-5.

To  
Tvl. Bharat Heavy Electricals  
Limited,  
Indira Gandhi Industrial complex,  
Ranipet – 632 406.

Lr. No. VAT Cell / 25858/ 2007 (VCC No. 1212), dated 11.9.2007.

Sir,

Sub: TNVAT Act, 2006 – Rate of tax clarification under TNVAT Act 2006 for labour contract – Requested by Tvl. Bharat Heavy Electricals Limited, Ranipet – Regarding.

Ref: Letter dated 26.4.2007 from Tvl. Bharat Heavy Electricals Limited, Ranipet - 632406.

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Tvl. Bharat Heavy Electricals Limited, Ranipet have requested rate of tax clarification under the TNVAT Act, 2006 for labour contract.

1.	Whether clarification stating that gas, electrodes are consumables issued under TNGST Act is continuing under VAT Act.	Yes.
2.	Whether BHEL can make payment to the fabricators without recovering tax at source (TDS) and without Form 'S'	Form 'S' is prescribed under TNVAT Rules. It should be filed. Commercial Tax Officer is not correct in refusing to issue Form S, when tax is paid by BHEL's job workers under section 5 of the TNVAT Act, 2006.

Sd./ G. Shanmugam,  
For Commissioner of Commercial Taxes

Copy submitted to the Secretary to Government, Commercial Taxes and Registration Department, Fort St. George, Chennai-9.

// Forwarded // By Order //

COMMERCIAL TAX OFFICER (VAT)