

COMMERCIAL TAXES DEPARTMENT

From

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

To

Sri Balaji Tanning Company ,  
34, Kalamman Koil Street,  
Periapet, Vaniyambadi 635 751

Lr. No. VAT Cell / 52718/ 2007 (VCC No 1418) , dated 5.12.2007

Sir,

Sub: TNVAT Act, 2006 – Certain clarification under TNVAT Act 2006 for input tax credit on job work - requested - reg.

Ref: Lr. dated 20.9.2007 from Tvl. Sri Balaji Tanning Company, Vaniyambadi

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Tvl.Sri Balaji Tanning Company, Vaniyambadi in their letter cited have requested to clarify whether input tax credit can be adjusted for the job work bills and they also requested to clarify whether they claim refund of Tamil Nadu Value Added Tax suffered on the job work for export sales.

It is clarified as detailed below:

- 1) whatever tax paid on purchases, they are eligible for Input tax credit provided they pay VAT on value addition in respect of chemicals consumes in job work.
- 2) If they effected zero rated sales, they are eligible for refund of input tax credit.

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)