

Ref. No. 2bII/7262

11 April 2008

Shri K. Chandramauli I.A.S
Principal Secretary,
Deptt of Commercial Tax,
Govt. of U.P. Lucknow

Shri Sunil Kumar, I.A.S,
Commissioner,
Commercial Tax,
Govt. of UP.,
Gomati Nagar, Lucknow.

Subject: Taxability of the Lead Pencil (Kachchi Pencil) under VAT.

Sir,

IIA has received suggestion for the above “goods” for placing the same under schedule -1 @ 0%. The price of this Lead Pencil (Kachchi Pencil) ranges between 30 Paisa to 60 Paisa, being used by poor students/children of lower classes. This Pencil play vital role in “Mass-education Programme” as well sponsored by Govt.

This Pencil is taxed at 0% in Punjab, Haryana, Himanchal, Uttrakhand, Rajasthan & others provinces under VAT.

Hence it is requested that Lead Pencil (Kachchi)Pencil may kindly be clubbed alongwith serial No. 32 of 0% items listed in schedule -1.

Your goodself has been pleased to reduce the VAT on the Lead(Kachchi) Pencil @ 4%. But the situation is will still remain the same as the boarding States have only 0% VAT on the said commodities. Therefore it is requested that considering the essential requirement of the commodity for use in education promotional & aiding the poor children to manage their educational work at the cheaper rates.

Thanking You

Yours truly,

D.S. Verma
Executive Director