

Shri Sunil Kumar I.A.S,
Commissioner,
Trade Tax, U.P.
Trade Tax Bhawan,
Vibhuti Khand, Gomti Nagar,
Lucknow

Subject : Items for consideration @ 0% taxability – Food substitute i.e Bread, Buns & Rusks for Poor, Middle class & masses in general.

Sir,

We are told that schedule of Goods on VAT is going to be released within short span of time. Therefore we wish to bring the following few points for your kind consideration :-

- (i) That Food Substitute Industries manufacture the above food items which are in general consumed by poor, Middle class people & masses in general at all times of break-fast, lunch, after-noon tea, & Dinners as well as babies & children in general.
- (ii) The State has a control over the quality, marketing & Price components of these commodities irrespective of the price of Raw-materials.
- (iii) That the Industry suffers the crunch of infra-structure, & availability of Inputs at high rising prices.
- (iv) That the Industry faces severe & cut- throat competition from multinationals & other states as well.
- (v) That the cost of production is ever rising with our controlled prices.
- (vi) That the industry has to bear the burnt of lacking Power-Supply, water supply and other essentials for which costlier devices are to be used.
- (vii) That the industry is running on almost “No-Profit” & only Liquidity of money is maintained in this business to keep the industry alive.

Therefore it is requested that the items, “Bread, Buns & Rusks which had so far been exempt under Trade Tax Notification No. KA.NI-2-1166 dated 10.04.06 may kindly be included in full & as such in 0% items provided in VAT schedule.

Thanking you,

Yours faithfully,

D.S. Verma
Executive Director