• VAT rate on PTFE cable (Industrial Cable)

Ref. No. 2bII/7104 1 January 2008

The Commissioner, Commercial Tax, Govt. of UP., Gomati Nagar, Lucknow.

The Principal Secretary, Deptt of Commercial Tax, Govt. of U.P. Lucknow

Sub: VAT rate on PTFE cable (Industrial Cable)

Sir,

On going through the various Vat rate schedules published along with the VAT act we find that industrial cables are put in 4 % category expressed as under

"Industrial cables (High voltage cables, XLPE Cables, jelly filled cables, optical fibres)"

The expression as above seems to be little confusing that only four bracketed types of cable are kept in 4% category or every type of industrial cable is to be taxed @ 4%.

PTFE cable:-

PTFE cables are Industrial cables for High temperature (above 200 deg. C) and High frequency (for signal and Data transmission) applications, having primary insulation of PTFE (polytetrafluoroethylene) commonly known as Teflon

Some of the important industrial applications of the PTFE cable are listed as under:-

Furnace and oven wiring, high performance panel wiring, thermocouples and temperature sensing devices, process control equipments, telephone exchanges, computers, electronic test communication equipments etc.

We therefore request that PTFE cables be kept under 4% tax rate schedule or expression for the industrial cable be amended as under

"All types of industrial cables (such as High voltage cables, XLPE Cables, jelly filled cables, optical fibres, PTFE cables etc.)"

A representative product profile of one of the unit manufacturing PTFE cable is enclosed for your kind perusal and overview of the product in this regard.

Thanking You

Yours truly,

D.S. Verma

Executive Director

Copy: Chairman IIA Meerut Chapter

D.S. Verma