

Ref. No. 2bII/7157

23 Jan. 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.,  
Gomti Nagar, Lucknow.

**Subject: Clarification of Rates in significant matters.**

Sir,

IIA has brought to your kind attention that goods classified under VAT schedule are not exhaustive, so much so that it is not possible to bring & conceive all such goods under the said commodity fold. Therefore it was suggested that exclusions & exceptions which are limited can be listed to make the list of items specific & non-controversial. But neither that has been done nor list made speaking Leaving room for litigation, discretion of officers & harassment of Dealers.

The glaring example of the sort are the following for which seek the clarifications:-

- (i) Drugs and pharmaceuticals are taxable @4%. However this is no mention of Diagnostic equipments, & other such examination kits instruments & equipment used for medical treatment/diagnosis.
- (ii) In case of Transformers the Entry is bare without Parts, components & Accessories.
- (iii) Under I.T. Inputs the cartage of computer Printers are missing.
- (iv) Along with other wires, copper wire has not been mentioned when others are specified.
- (v) Under electrical items "Generation , Transmission & Distribution" has been omitted. The P.C.C. Poles & others have been omitted which will make the system unworkable. The Entry as it used to be exhaustive & initially agreed to in the meeting of finance ministers in Empowered Committee under VAT containing, "Generation Transmission & Distribution" has been overlooked (Letter no. 309(1) सं० द० व्या०क० अधि० (वैट)२००४ दिनांक 21/12/94.
- (vi) P.T.F.E cable has not found mention in other Industrial cables category when it is essentially an Industrial cable.
- (vii) Goods made up of Plastic such as Soap case, Jug, Mug etc declared in Deptt Advertisements on 6/1/08 "Dainik, Aaj" are not existing while Hon'ble Chief Minister of U.P. declares them specifically on public forum which are missing.

Therefore an early clarification on the above point will make the transparency intact.

Thanking You

Yours truly,

D.S. Verma  
Executive Director