

Ref No. 2bII/7231

12 March 2008

Shri Govindan Nair, I.A.S,
Principal Secretary,
Commercial Tax
Govt of U.P.
Lucknow

Subject :- Tax on Adhesives under VAT.

Dear Sir,

Kindly refer to our letter no. 2bII/7120 dated 9 Jan. 2008 subject stated above. (Photocopy enclosed at Annexure- 1) IIA had requested on the sympathetically address the Rate of Tax on "Adhesive" & include it in classified list of Industrial Inputs Taxable @ 4%.

We are receiving feed back & requests from our members in general to interact & request you to consider our representation compassionately.

The Adhesive in general is used in all the Industries & in particular used by one of the biggest manufacturing Industry of shoe making.

The ultimate product in used by all irrespective of their age, group, class, cadre & status.

The neighboring State of Uttrakhand which inherited & shared our Trade Tax Act has considered the genuineness of the demand & included it in the list of Industrial Inputs Taxable @ 4%. The difference of 8.5% Tax between home & neighboring State will inevitably adversely effect our Home Industry in the field of Competition.

Therefore it is requested that your goodself may be kind enough to consider Adhesive for inclusion in the schedule IIA pertaining to Industrial Input Taxable @ 4%.

Thanking you,

Yours truly,

D.S. Verma
Executive Director