

Ref.No. 2B/8428

16.4.2010

Principal Secretary,
Tax & Registration, Govt. of U.P,
Secretariat Annexe,
Lucknow

Shri V.N.Garg, I.A.S
Executive Director,
Udyog Bandhu,
12-C, Mall Avenue,
Lucknow

Shri Chandra Bhanu, I.A.S.
Commissioner,
Commercial Tax, Govt. of U.P,
Vibhuti Khand, Gomti Nagar,
Lucknow

Sub:- Request for considering sugar pills for medicinal use in homeopathy for 0% tax.

Sir,

Indian Industries Association had at the very outset of the VAT requested that tax under VAT Act may not be levied on above white spherical globules subsequently classified as sugar pills for medicinal use in homeopathy. Under U.P.T.T. Act these globules or pills were totally exempt from tax as well as in other states also.

These pills as such are not medicines until they go a process in homeopathy. Homeopathic medicines have a wide spread use and are becoming popular amongst poor due to cheaper cost factor well affordable by one and all.

The industries running to manufacture them are already uneasy due to heavy cost of sugar which has 99% in these pills and the levy of VAT on the product adds to the cost. The vital distinction mark – between these pills and other goods is that they are not exigible to I.T.C. in VAT unlike other goods.

Most of the neighbouring states such as Uttaranchal and Haryana have kept these pills @ of 0%. Thus, U.P. goods are losing competitive spirit.

Therefore, it is requested that VAT on the Sugar pills for homeopathy may kindly be brought down to 0% which will be beneficial for manufactures and consumers and U.P. Industries.

Thanking you,

Yours faithfully,

D.S.Verma
Executive Director