

Andhra Pradesh abolishes VAT imposed on textile traders

Andhra Pradesh Chief Minister N Kiran Kumar Reddy today decided to totally abolish Value Added Tax (VAT) imposed on textile traders.

The move came after protracted negotiations between a group of ministers and traders' representatives today.

Contending that VAT is not imposed in other states in the country, textile traders had been agitating for long demanding removal of VAT.

An official release quoted Reddy saying that VAT had to be imposed on textile traders in view of the poor situation of the state's economy when he assumed office in 2010.

The government had pending dues to the tune of Rs 8,000 crore to Rs 9,000 crore, he said.

He also highlighted that about Rs 30,000 crore is being spent on numerous welfare programmes being implemented by the AP government.

Traders' leaders hailed the AP Chief Minister and thanked him for the move, the release added.

(Economic Times)