

No.C7-9830/06/CT

Office of the Commissioner
Commercial Taxes
Thiruvananthapuram
Dated 9-3-2006

Circular 12/2006/CT

Sub:- Gurjan to be treated as hardwood under KVAT - Instructions issued.

Doubts have been raised from several quarters regarding the treatment of Gurjan under the KVAT Act, 2003.

Market enquiry shows that softwood is generally available at between Rs.50 - 150 per cubic feet whereas Gurjan is available at between Rs.600 - 700 per cubic feet. It is also reported that the wood is used extensively for joinery manufacturing unlike softwood.

Dr. K.M. Bhat, Programme Co-ordinator, Divisional Forest Utilisation, Kerala Forest Research Institute, Peechi has issued a report vide his reference No.KFRI/Ext.01/05-06 dt. 2-3-2006 that Gurjan with botanical name Dipterocarpus spp. is a hardwood.

It is also noted that Gurjan occurs as entry number 91(1)(i) in the list of goods notified vide SRO No. 82/2006 dt. 21-1-2006 taxable at 12.5%.

In the above circumstances all concerned are directed to treat Gurjan as a hardwood exigible to tax at 12.5% under KVAT Act, 2003.

Commissioner
Commercial Taxes