

CIRCULAR No.24 / 2011

Sub:- KVAT Act 2003- Price fixation of Plywood - Instruction issued - reg.

Ref:- 1. Circular No. 11/2009 dated 25.07.2009
2. Order No. C2/7261/07/CT dated 13.12.2010 of the CCT
3. Report No. DC(I)T/B-347/10 dt.18.07.11 of DC (Int), Tvpm.

It has come to notice that the price of plywood is showing an increasing trend in the market. But the same is not seen reflected in the revenue. Experience shows that under billing is rampant in this sector. Hence, in order to ensure a better tax administration of this evasion prone commodity, and to protect the state revenue the Department constituted an expert committee to study the market trend and to recommend the viable floor rate that can be adopted for the purpose of collecting Advance Tax/Security Deposit etc.

Hence, vide reference 2nd cited above, an Expert Committee was constituted consisting of the three Zonal Deputy Commissioners (Intelligence) and Deputy Commissioners of Kollam, Kannur and Mattancherry, to study the issue and to suggest whether any revision of floor price is necessary.

The Chairman of the Committee has submitted a report read as 3rd paper above based on the market intelligence and consultations conducted with the trade. The report was examined in detail and it is decided to adopt the recommendations of the Committee.

Hence, in super-cession of the circular referred above, the following minimum values are fixed.

Items	Variety	Floor Rate (Rs./Sq Ft)	
		low quality (Rs./Sq Ft)	good quality (Rs./Sq Ft)
Plywood	3 MM	5.5	12
	4 MM	7	14
	6 MM	12	16
	8 MM	14	20
	10 MM	16	22
	12 MM	18	24
	15 MM	20	26
	18 MM	23	33

Marine Plywood	4 mm	22
	6 mm	25
	9 mm	30
	12 mm	38
	16 mm	46
	18 mm	53
	19 mm	58

Block Board		Interior	Exterior
	19 MM	27	38
	25 MM	33	44
	30 MM	39	51
	35 MM	47	56

Flush Door		Interior	Exterior
	25 MM	33	45
	30 MM	40	52
	35 MM	48	57

All officers are directed to ensure that plywood consignments are not valued at lower values than those shown above.

This order will take with effect from.01-12.2011.

Sd/-
COMMISSIONER