

No. CTS-78/2007/148

Dated Dispur, the 3<sup>rd</sup> July/2008

Sub: Clarification on rates of tax on “Cool Banphool Oil”.

**Extract of the Order**

As per the explanation given in entry 21 of the Fourth Schedule of the Assam Value Added Tax Act, 2003, the expression “Drugs and Medicines” shall not include products capable of being used as cosmetics and toilet preparations including tooth paste, tooth powder, cosmetics, toilet articles and soaps. The product “Banphool Oil” used as hair oil and therefore it is a toilet preparation. The explanation given with the entry at Sl. No. 21 of the Fourth Schedule restricts inclusion of such products in the entry at Sl. No.21.

In view of the above, the product does not fall under the entry at Sl. 21 of the Fourth Schedule, but taxable @12.5% as per entry at Sl. No. 1 of the Fifth Schedule.

Sd/- (Sanjay Lohiya)  
Commissioner of Taxes, Assam  
Guwahati-6