

No. CTS-76/2007/32

Dated Dispur the 29th April, 2008

Sub: Regarding the rate of tax on 'Cookies' and 'Rusk' under the AVAT Act, 2003.

Extract of the Order

It is clarified that 'Cookies' are taxable @12.5% w.e.f. 4-2-2008 being 'Biscuits'. However 'Rusk' is not bread as it is physically different from Bread. 'Rusk' is made by baking sliced bread again. Thus Bread undergoes a further manufacturing process i.e. baking to produce a new commodity i.e. 'Rusk'. Also in common parlance 'Rusk' is not regarded as Bread. Hence it is clarified that 'Rusk' is taxable @12.5% under the Fifth Schedule of AVAT Act,2003.

Sd/ (Sanjay Lohiya)
Commissioner of Taxes, Assam
Dispur, Guwahati.