

No. CTS-78/2007/147

Dated Dispur the 3rd July, 2008

Sub: Clarification on rates of tax on “Boroline” manufactured by M/S G.D. Pharmaceuticals (P) Ltd., Guwahati.

Extract of the Order

The product “Boroline” is used as an antiseptic cream. Again, many also use it as a cosmetic product. The words “perfumed cream” in the label of the cream speaks about its value as a cosmetic item. The explanation given with the entry at Sl. 21 of the Fourth Schedule of the Assam Value Added Tax Act, 2003 restricts inclusion of such products in entry No. 21 of Fourth Schedule. Here, mere capability of use of the product as cosmetic/toilet preparation has been specifically inserted to disqualify the product in its classification as drugs and medicines within the meaning of entry at Sl. 21.

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

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