

M/s Akansha Hair & Skin Care Herbal Unit Private Limited

Appellate Authority for Advance Ruling — West Bengal

Appeal Case No. 02/WBAAAR/Appeal/2018

Dated 08.01.2018

Q Questions Before the Authority

- Whether the Ayurvedic skin care preparations manufactured by the Appellant are classifiable as medicaments under Chapter 30 of the Customs Tariff Act, 1975 or as cosmetics under Chapter 33.

F Facts

The Appellant is a manufacturer of various skin care products and sought an advance ruling on their classification. They argued that their products are Ayurvedic medicaments meant for therapeutic or prophylactic uses and should be classified under Tariff Head 3004. The original Authority for Advance Ruling had classified some products as medicaments and others as cosmetics, leading to this appeal.

H Ruling

Skin care preparations

Chapter 33 or 34

Not classifiable as medicaments under Chapter 30

The Appellate Authority held that none of the 31 products discussed qualify as medicaments or medicines as they are not used in the diagnosis, treatment, mitigation, or prevention of disease. Consequently, the products are to be classified under Chapter 33 (Cosmetics) or Chapter 34 (Soaps) rather than Chapter 30.

R Reasoning

The Authority determined that the products are intended for cleansing, beautifying, or altering appearance rather than treating an injury or ailment. It relied on the definition of 'cosmetic' under the Drugs and Cosmetics Act, 1940, and noted that the products do not contain sufficiently high levels of active ingredients to be considered medicaments. The ruling emphasized that **specific description prevails over general description** in the Rules of Interpretation. Furthermore, the Authority clarified that the **primary use** of the products is for skin care and not for therapeutic purposes.

P Provisions Relied On

Section 100(1) of the West Bengal Goods and Services Tax Act, 2017

Section 95(a) of the GST Act

Customs Tariff Act, 1975

Drugs and Cosmetics Act, 1940

Central Tax (Rate) Notification No. 01/2017 dated 28.06.2017

Notification No. FT-1125 dated 28.06.2017



For the Practitioner

This ruling is useful for practitioners dealing with the classification of Ayurvedic skin care products, establishing that **labeling and marketing as 'Ayurvedic'** does not automatically qualify a product as a medicament under Chapter 30. It reinforces that the **intended use and composition** are the decisive factors for classification. It does not decide on products not listed in the application.

Source

Summary prepared from the published order, which is a scanned document. It is a reading aid and not the authority: where the two differ, the order governs. Verify every provision against the original before relying on it.

Original order: www.gstcouncil.gov.in -> [wb aaar 02 2018 08.05.2018.pdf](#)

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