THE WEST BENGAL AUTHORITY FOR ADVANCE RULING

GOODS AND SERVICES TAX

14, Beliaghata Road, Kolkata – 700015

(Constituted under section 96 of the West Bengal Goods and Services Tax Act, 2017)

Members present:

Shafeeq S, Joint Commissioner, CGST & CX

Jaydip Kumar Chakrabarti, Additional Commissioner, SGST

Preamble

A person within the ambit of Section 100 (1) of the Central Goods and Services Tax Act, 2017 or West Bengal Goods and Services Tax Act, 2017 (hereinafter collectively called 'the GST Act'), if aggrieved by this Ruling, may appeal against it before the West Bengal Appellate Authority for Advance Ruling, constituted under Section 99 of the West Bengal Goods and Services Tax Act, 2017, within a period of thirty days from the date of communication of this Ruling, or within such further time as mentioned in the proviso to Section 100 (2) of the GST Act.

Every such appeal shall be filed in accordance with Section 100 (3) of the GST Act and the Rules prescribed there under, and the Regulations prescribed by the West Bengal Authority for Advance Ruling Regulations, 2018.

Name Of The Applicant	Swadeshi Soap Industries
Address	Village: Monohar Bahal, Post: Ethora, PS: Barabani, Bardhaman, West Bengal-713359
Gstin	19ABEFS2740L1ZV
Case Number	WBAAR 31 of 2025-26
ARN	AD191125007132M
Date Of Application	January 07, 2026
Jurisdictional Authority (State)	Asansol Charge
Jurisdictional Authority (Centre)	Asansole-I Division, Bolpur Commissionerate
Order Number And Date	01/WBAAR/2026-27 Dated 25.05.2026
Applicant's representative heard	Mr. Arvind Miharia, Partner Mr. Arvind Poddar, FCA

1.1 At the outset, we would like to make it clear that the provisions of the Central Goods and Services Tax Act, 2017 (the CGST Act, for short) and the West Bengal Goods and Services Tax Act, 2017 (the WBGST Act, for short) have the same provisions in like matter except for certain provisions. Therefore, unless a mention is specifically made to such dissimilar provisions, a reference to the CGST Act would also mean reference to the corresponding similar provisions in the WBGST Act. Further to the earlier, henceforth for the purposes of these proceedings, the expression "GST Act" would mean the CGST Act and the WBGST Act both.

1.2 The applicant is engaged in the manufacture of laundry soap weighing less than 500 grams, classifiable under HSN 34011942. The said product is manufactured and supplied as a cleansing preparation intended for washing and laundry purposes. In this background, the applicant has approached this Authority seeking clarification regarding the applicability of the revised GST rate of 5 percent notified vide the relevant GST rate notification with effect from 22.09.2025 and the appropriate rate of tax applicable to the supply of the said laundry soap.

1.3 The applicant has made this application under sub section (1) of section 97 of the GST Act and the rules made there under seeking an advance ruling in respect of following questions:

a) Whether the GST rate of 5% notified vide Notification No. 09/2025–Central Tax (Rate) dated 17.09.2025 (effective from 22.09.2025) is applicable to laundry soap bars weighing less than 500 grams under HSN 34011942 ?

b) What is the applicable GST rate on laundry soap bars manufactured and supplied by the applicant?

1.4 The aforesaid questions on which the advance ruling is sought for are found to be covered under clause (a) & (b) of sub-section (2) of section 97 of the GST Act.

1.5 The applicant states that the questions raised in the application have neither been decided by nor are pending before any authority under any provision of the GST Act.

1.6 The officer concerned from the Revenue has raised no objection to the admission of the application.

1.7 The application is, therefore, admitted.

2. Submission of the Applicant

2.1 The Applicant is *inter alia* engaged in the manufacture and supply of laundry soap in the form of bars weighing less than 500 grams and priced at less than Rs. 20 per piece.

2.2 The Applicant submits that the Central Government has issued Notification No. 9/2025-CT(R) dated September 17, 2025 in exercise of the powers conferred under Section 9 of the Central Goods and Services Tax Act, 2017. Schedule I of the said notification covers goods taxable at the rate of 5 per cent, whereas Schedule II covers goods taxable at the rate of 18 per cent. The relevant entries of the notification are reproduced below:

- Entry at S. No. 251 of Schedule I covers toilet soap, which is reproduced as under:

Heading	Description of goods
3401	Toilet soap (other than industrial soap) in the form of bars, cakes, moulded pieces or shapes

- Entry at S. No. 66 of Schedule II covers soap, other than toilet soap, which is reproduced as under:

Heading	Description of goods
3401	Soap; organic surface-active products and preparations for use as soap, in the form of cakes, moulded pieces or shapes, whether or not containing soap other than toilet soap in the form of bars, cakes, moulded pieces or shapes; organic surface active products and preparations for washing the skin, in the form of liquid or cream and put up for retail sale, whether or not containing soap; paper, wadding, felt and nonwovens, impregnated, coated or covered with soap or detergent

2.3 In view of the above entries, the issue involved in the present application is whether the soaps manufactured and supplied by the Applicant are classifiable under Entry No. 251 of Schedule I taxable at 5 per cent or under Entry No. 66 of Schedule II taxable at 18 per cent of Notification No. 9/2025.

2.4 The applicant submits that soap has historically been recognised as an essential commodity used for basic hygiene purposes. Evidence traces soap-like products to around 2800 BC in ancient

Babylon, while commercial soap production began in England during the 12th century. With the repeal of soap tax in England in 1853, soap became widely available as a mass-consumption product across Europe and British-ruled regions. In India, more than 700 registered manufacturers presently produce soap bars, cakes and liquid soaps, with combined annual revenues exceeding ₹1,700 crore. Market studies indicate that between 2004 and 2009 the soap industry grew at a CAGR of approximately 9–12 per cent, with bar soaps constituting nearly 99 per cent of the market. These figures demonstrate the long-standing recognition of soap as an essential commodity widely consumed by households, particularly by rural consumers.

2.5 The applicant states that soap is chemically produced through a process known as saponification, which is a reaction between an alkali and fatty substances such as oils. This reaction produces glycerine as a by-product which imparts moisturizing properties to soap. Thus, soap is essentially a salt produced through the saponification of fats or oils. The Bureau of Indian Standards (BIS) has prescribed definitions and standards for soaps under IS 2888:2004 for toilet soaps and IS 13498:2020 for bathing bars. According to BIS standards, soaps available in India are broadly classified into two categories, namely (i) toilet soaps and (ii) bathing bars. The classification of soap products is primarily determined on the basis of Total Fatty Matter (TFM), which contributes to the cleansing and soapy characteristics of the product. Toilet soaps generally contain a higher percentage of fatty material ranging between 60 per cent and 80 per cent depending upon the grade, whereas bathing bars contain comparatively lower fatty substances, typically around 40 per cent.

2.6 The applicant is of the opinion that the soaps manufactured by it have Total Fatty Matter exceeding 60 per cent and therefore meet the technical parameters prescribed for toilet soaps under the BIS standards. In addition to fatty matter and surfactants, soaps may contain other permissible ingredients such as perfumes, colouring matter, antioxidants, preservatives, germicides, humectants and other additives which are declared on the product label. Based on the chemical composition and TFM content, the soaps manufactured by the Applicant qualify as toilet soaps in terms of the BIS classification.

2.7 The applicant submits that Chapter Heading 3401 of the Customs Tariff covers all varieties of soap including toilet soaps, industrial soaps, laundry soaps and similar saponified cleansing preparations. Entry No. 251 of Schedule I to Notification No. 9/2025 specifically covers “toilet soap (other than industrial soap)”. In the absence of a specific statutory definition of “toilet soap” under the GST law, the expression must be interpreted in accordance with BIS standards and accepted trade practice. Under such standards, soaps having TFM above 60 per cent qualify as toilet soaps irrespective of their end use. According to him, soaps commonly referred to as laundry soaps may also fall within the category of toilet soaps if their TFM exceeds 60 per cent. If the legislative intent had been to exclude laundry soaps from the concessional entry, the notification would have

expressly provided such exclusion. Notably, Entry No. 251 excludes only industrial soap. The deliberate exclusion of only industrial soap indicates that all other soaps satisfying the parameters of toilet soap remain covered within the concessional entry. The applicant submits that only two categories of soaps would therefore fall under Entry No. 66 of Schedule II attracting GST at 18 per cent, namely industrial soaps which are specifically excluded from Entry No. 251, and soaps with TFM below 60 per cent which do not satisfy the BIS classification of toilet soap. Since the soaps manufactured by the Applicant have TFM exceeding 60 per cent, they merit classification under Entry No. 251 of Schedule I taxable at 5 per cent.

2.8 According to the applicant, both toilet soaps and laundry soaps are manufactured through the same core process of saponification. The manufacturing process typically involves the use of identical raw materials such as vegetable or palm oils and caustic soda, and the production is carried out using similar machinery including mixers and duplex vacuum plodders. The technical differences between the products generally relate only to finishing aspects such as fragrance or moisture content rather than any fundamental difference in chemical composition. Therefore, both categories of soaps share a common genesis and chemical character. Both toilet soaps and laundry soaps serve the same essential purpose of maintaining hygiene and cleanliness. The shared origin, composition and function of these products support the view that they should be treated uniformly for taxation purposes.

2.9 The applicant further submits that the CGST Act and the notifications issued thereunder do not provide any statutory definition of soap. In the absence of such definition, it is a settled principle of classification that goods must be understood in their common parlance and trade understanding. In common parlance, consumers broadly recognise toilet soap, bathing soap and laundry soap as household soap bars used interchangeably for cleaning purposes. He argues that In rural and low-income households, it is common for a single soap bar to be used both for bathing and for washing fabrics. The products manufactured by the Applicant are used in such a dual-purpose manner and therefore fall within the general category of household soaps. Courts have consistently held that classification must be determined based on common parlance and the understanding of the product in the market.

2.10 The Applicant also submits that the Supreme Court in *CCE vs. Connaught Plaza Restaurants* has held that words used in tax statutes must be interpreted in the sense in which persons dealing with the goods understand them. Retailers and consumers commonly treat different forms of soap bars as part of the same category of cleaning products. Therefore, unless the law expressly excludes a product category, artificial distinctions should not be created for taxation purposes. The Applicant further submits that both toilet soaps and laundry soaps fall under the same HSN heading 3401. Creating a distinction between the two for tax purposes despite identical tariff classification

and similar composition would be inconsistent with the principle of uniform taxation. The functional interchangeability of these products demonstrates that the distinction lacks practical or commercial justification.

2.11 The Applicant submits that in the case of *State of Gujarat vs. Prakash Trading Co.*, the court observed that the essential character of soap as a cleansing agent remains the same irrespective of whether it is used for the human body or for washing fabrics. The ingredients used and the process of saponification remain identical for both types of soap products. Therefore, differentiating tax rates solely on the basis of intended use would be arbitrary where the chemical composition and manufacturing process are substantially the same.

2.12 The Applicant further submits that laundry soap is widely recognised as a product of mass consumption used predominantly by low-income and rural households. The objective of Notification No. 9/2025 was to make essential hygiene products affordable to the general public. Imposing a higher rate of tax on a product primarily consumed by economically weaker sections would defeat the purpose of the concessional tax regime and create an inequitable tax burden.

2.13 In view of the chemical composition, BIS standards, trade practice and legislative intent of the GST rate notification, the Applicant submits that the soaps manufactured by it qualify as toilet soaps under Entry No. 251 of Schedule I of Notification No. 9/2025. Accordingly, the said products merit classification under the said entry and should attract GST at the rate of 5 per cent. The Applicant therefore prays that the subject product be classified under Sl. No. 251 of Schedule I to Notification No. 9/2025 attracting GST at the rate of 5 per cent, as it is an essential item of mass consumption manufactured through the standard process of saponification and falling squarely within the concessional category.

3. Submission of the Revenue

3.1 The concerned officer from the revenue has not expressed any view on the merit of the issue raised by the applicant.

4. Observations & Findings of the Authority

4.1 We have gone through the records of the issue as well as submissions made by the authorized representative of the applicant during personal hearing. The Revenue has not given any submission in this regard.

4.2 According to the facts narrated by the applicant, he is a manufacturer of laundry soap in the form of bar, weighing less than 500 grams. The application filed by the applicant centres round post-Notification 9/2025 scenario.

The applicant has referred to Schedule I and II of Notification No. 01/2017 – Central Tax (Rate) Dated 28.06.2017, as amended by Notification No. 09/2025 – Central Tax (Rate) Dated 17.09.2025. Serial no. 251 of Schedule I refers to 'Toilet soap (other than industrial soap) in the form of bars, cakes, moulded pieces or shapes'. On the other hand, Serial no. 66 of Schedule II refers to 'Soap; organic surface-active products and preparations for use as soap, in the form of cakes, moulded pieces or shapes, whether or not containing soap[other than toilet soap in the form of bars, cakes, moulded pieces or shapes]; organic surface active products and preparations for washing the skin, in the form of liquid or cream and put up for retail sale, whether or not containing soap; paper, wadding, felt and nonwovens, impregnated, coated or covered with soap or detergent'.

4.3 In this context the applicant wants to know

A) Whether 5% tax rate is applicable to laundry soap as well?

B) What is the rate of tax of laundry soap by virtue of Notification No. 09/2025 – Central Tax (Rate) Dated 17.09.2025?

4.4 According to the submission of the applicant, soap is the product of saponification. It is a process of reaction between an alkali and oil (fatty substances). When this reaction takes place, glycerine is formed as a by-product which gives the soap its moisturising property.

The applicant believes that his manufactured product 'laundry soap' is included in tariff heading 3401 which covers all varieties of soap including toilet soaps, industrial soaps, laundry soaps and similar saponified cleansing products.

The applicant is of the opinion that toilet soap and the laundry soap manufactured by him is the same product and he has explained it as under:

According to the applicant, Bureau of Indian Standards (in short BIS) has provided the definition and technical requirements for toilet soap under 'IS 2888:2004'. The applicant opines that classification of soaps is primarily based on Total Fatty matter (TFM) which lends soaps their soapy feel. Referring to the literature of BIS the applicant points out that toilet soap contains higher quantity of TFM, usually ranging between 60% and 80% depending on the grade of toilet soap, the highest being greater than 76% in case of Grade 1. The TFM of the soaps manufactured by the applicant is greater than 60%. The applicant, during the course of personal hearing, placed before us a test report conducted by one Prodcontrol (India) Private Limited. This report contains *inter alia* the observed value of TFM of the applicant's product as per the details of the report and the observed value of TFM is reported to be 62.0. The applicant argues since the TFM of his product is 62.0, it

should be classified as toilet soap in spite of the fact that it is sold as laundry soap as is evident from the packaging of the products.

The other arguments of the applicant can be summarised as under:

Both toilet and laundry soaps are produced in the same manufacturing set up and using the same raw materials. Duplex Vacuum Plodders and Mixers are used to manufacture both the products by using palm/ vegetable oils and caustic soda as raw materials.

The applicant believes that the technical difference between the two is primarily in finishing i.e. in terms of moisture content and fragrance.

For an average consumer various soaps such as toilet soap, laundry soap or bathing soap are commonly understood as 'household soaps', used interchangeably for bathing or washing of fabrics. The applicant argues that his products perform both the functions of bathing and washing clothes and his products are predominantly used in rural areas where dual use of soap (for bathing and washing clothes) is common among the people.

The applicant points out that retailers and consumers often use the terms toilet soap and laundry soap interchangeably for 'bar soap' and treat them as part of the same 'cleaning bar' family.

On the basis of the above grounds the applicant concludes, having a shared genesis, character and use both laundry soap and toilet soap should have the same tax rate under serial no. 251 of Schedule I *ibid*.

4.5 Before going into the details of the discussion we must refer to the relevant entries in Notification No. 01/2017 – Central Tax (Rate) Dated 28.06.2017, as amended by Notification No. 09/2025 – Central Tax (Rate) Dated 17.09.2025.The relevant entries are reproduced as under:

Schedule I - 2.5%

S. No.	Chapter/Heading/ Sub-heading/Tariff item	Description of goods
(1)	(2)	(3)
251.	3401	Toilet Soap (other than industrial soap) in the form of bars, cakes, moulded pieces or shapes

Schedule II - 9 %

S. No.	Chapter/Heading/ Sub-heading/Tariff item	Description of goods
(1)	(2)	(3)
66.	3401	Soap; organic surface-active products and preparations for use as soap, in the form of cakes,

		moulded pieces or shapes, whether or not containing soap[other than toilet soap in the form of bars, cakes, moulded pieces or shapes]; organic surface active products and preparations for washing the skin, in the form of liquid or cream and put up for retail sale, whether or not containing soap; paper, wadding, felt and nonwovens, impregnated, coated or covered with soap or detergent

If we carefully look at the above entries it will be evident that toilet soap in the form of bars, cakes, moulded pieces or shapes is covered by serial no. 251 as above. Of course industrial soap is outside the purview of this entry by virtue of exclusion clause.

On the other hand, serial no. 66 includes *inter alia* soap, organic surface-active products and preparations for use as soap in the form of cakes, moulded pieces or shapes whether or not containing soap other than toilet soap in the form of bars, cakes, moulded pieces or shapes. So every other kind of soap excluding toilet soap in the form of bars, cakes, moulded pieces or shapes (which happens to be included in serial no. 251 of Schedule I) is included in serial no. 66 of Schedule II as above.

4.6 As per our understanding the crux of the matter lies in the reply to the question whether laundry soap is included in toilet soap. Let us look into the matter from different perspectives.

From a common man's understanding toilet soap, also known as bathing soap or personal care soap, is primarily intended for cleansing the human body. It is formulated with ingredients that provide a gentle and moisturizing effect on the skin. Dictionary.com has defined toilet soap as a mild and usually perfumed soap for washing the hands and face and for bathing. According to Merriam-Webster Dictionary, it is a mild soap that is often perfumed and coloured and stabilized with preservatives. The Cambridge Dictionary defines toilet soap as a sweet-smelling soap that is intended for washing the body.

Some characteristic features of toilet soap are as under:

- It contains fatty acids derived from vegetable oils or animal fats.
- Saponification is the chemical reaction used to produce toilet soap.
- The process involves the hydrolysis of fats/oils with an alkali (such as sodium hydroxide or potassium hydroxide).
- The reaction results in the formation of soap molecules (salts of fatty acids) and glycerol.
- Additional ingredients like fragrances, moisturizers, and botanical extracts can be added for specific properties.
- Toilet soap has a balanced pH level to maintain the skin's natural acidity.

- It forms a mild lather due to the presence of soap molecules, aiding in the removal of dirt, oil, and bacteria from the skin.
- Moisturizers help prevent dryness and botanical extracts provide added benefits.
- Toilet soap can be in the form of bars, liquids, or gels.
- It is primarily used for personal hygiene and skin cleansing.

On the other hand, laundry soap, also referred to as washing soap or detergent bar, is specifically designed for cleaning clothes and other fabrics. Unlike toilet soap, laundry soap is formulated to remove tough stains, grease, and dirt from various types of textiles. Some characteristic features of laundry soap are as under:

- It contains surfactants, enzymes, builders, and bleaching agents.
- Common surfactants used in laundry soap include sodium lauryl sulfate (SLS) or sodium dodecylbenzenesulfonate (SDBS).
- It contains surfactants that lower water's surface tension for effective dirt and stain removal.
- Enzymes break down complex stains into smaller, more soluble molecules.
- Builders like sodium carbonate (Na_2CO_3) or sodium tripolyphosphate ($Na_5P_3O_{10}$) soften water and enhance cleaning efficiency.
- Some laundry soaps may include bleaching agents to whiten and brighten clothes.
- Typically it has an alkaline pH level (9-12) for effective stain removal.
- It is designed to remove dirt, stains, oils, and odours from fabrics.
- Laundry soap is available in various forms: bars, powders, or liquids.
- It may or may not have added fragrances.
- Additional additives like fabric softeners or brightening agents can be included in it.

In our understanding, the two kinds of soaps are not the same in terms of ingredients and usage.

4.7 Referring to the common parlance test the applicant tries to argue that toilet soap and laundry soap are interchangeably used by the consumers especially in rural areas where his products are mostly sold. The applicant claims that people use the bar soap manufactured by him for both the purposes – for bathing and for washing cloth.

We are not inclined to accept this argument. When a consumer goes to buy soap for the purpose of bathing he/she seeks a soap which is meant for that purpose only. The same is true for the requirement of washing clothes. People cutting across locality and economic position, distinguishes toilet soap from laundry soap and uses the specific soap for the specific requirement. If somebody uses the same soap for cleaning body and washing clothes, it is his personal choice and that does not mean that toilet soap and laundry soap becomes one and the same thing. The two are different, both physically and commercially. If someone seeks toilet soap, he is not provided with laundry

soap by the trader and vice-versa.

4.8 The applicant has drawn our attention to the literature of Bureau of Indian Standards (in short BIS). He has chosen to place before us the technical requirements of toilet soap only as prescribed by BIS and has argued that since the prescribed range of TFM for toilet soap is matching with his manufactured product, it should be regarded as toilet soap.

We have chosen to traverse both the worlds (i.e. toilet soap and laundry soap) as prescribed in the literature of BIS. The specification of toilet soap is to be found in IS 2888:2004 and that of laundry soap is to be found in IS 285:1992 (Reaffirmed 2011).

The following table represents the requirements of toilet soap [IS 2888:2004] according to different grades:

Sl No.	Characteristic	Requirement		
		Grade 1	Grade 2	Grade 3
1	2	3	4	5
i)	Total fatty matter, percent by mass, Min	76.0	70.0	60.0
ii)	Rosin acid, percent by mass of total fatty matter, Max	3.0	3.0	3.0
iii)	Free caustic alkali, as sodium hydroxide (NaOH), percent by mass, Max	0.05	0.05	0.05
iv)	Matter insoluble in alcohol, percent by mass, Max	2.5	10	10
v)	Chlorides (as sodium chloride), percent by mass, Max	1.50	1.50	1.50
vi)	Free carbonated alkali, percent by mass, Max	1.0	1.0	1.0
vii)	Lather	280	240	200

The following table represents the requirements of laundry soap [IS 285:1992] according to different types:

Sl No.	Characteristic	Requirement for		
		Type 1 (Pure Soaps)	Type 2 (Built Soaps)	
			Gr 1	Gr 2
1	2	3	4	5
i)	Total fatty matter, percent by mass, Min	62.0	45.0	35.0
ii)	Rosin acid, percent by mass of total fatty matter, Max	15.0	15.0	15.0

iii)	Unsaponified fatty matter, percent by mass, Max	0.5	0.5	0.5
iv)	Free caustic alkali, as sodium hydroxide (NaOH), percent by mass, Max	0.1	0.2	0.2
v)	Matter insoluble in alcohol, percent by mass, Max	2.5	20	0
vi)	Titre of total fatty acids, °C, Min	33	0	0
vii)	Glycerol, percent by mass, Max	1.0	0	0
viii)	Chloride (as sodium chloride), percent by mass, Max	2.0	3.0	3.0
ix)	LSD/ NSD content, percent by mass, Min	0.0	0.0	4.0

What we find from the above tables is that there are points of difference in respect of characteristics of toilet and laundry soap. Content wise laundry soap must have unsaponified fatty matter, glycerol (in case of Type 1 variety) and LSD/ NSD content (in case of grade 2 variety) which toilet soap does not have. On the other hand, toilet soap must have free carbonated alkali in its constituents. It must have lather of different requirements according to grades.

If we go through the above tables carefully we should notice that there is difference in respect of numerical value of the common ingredients as well. For example, the difference is to be found in respect of total fatty matter, rosin acid (percent of mass of total fatty matter), free caustic alkali and chloride.

What is to be concluded from the above is that toilet soap and laundry soap are two different products so far as chemical composition is concerned. Only similarity in numeric terms for one ingredient should not lead us to conclude that the two are the same products. We do not have any authentic report for the other characteristics of the product manufactured and sold by the applicant. At the same time, it is evident from submission of the applicant that they market their product as “laundry soap”; the same is seen from the packaging as well. So we are not inclined to agree with the argument that the products under question are includible in the variety of toilet soap in spite of the fact that they are sold as laundry soaps.

From the above discussions in Paragraph 4.6, 4.7 and 4.8 we are of the considered view that laundry soap is not includible in the variety of toilet soap.

4.9 In the GST regime the classification of goods is to be understood with reference to the relevant entries in the Customs Tariff Act, 1975. So we should now focus on the relevant entries of the products under discussion.

In the Customs Tariff Act, 1975 we find soap in tariff heading 3401. For better understanding of the whole issue we are reproducing the related entries in the act *ibid*.

Tariff Item		Description of goods	
(1)		(2)	
3401		**SOAP; ORGANIC SURFACE-ACTIVE PRODUCTS AND PREPARATIONS FOR USE AS SOAP, IN THE FORM OF BARS, CAKES, MOULDED PIECES OR SHAPES, WHETHER OR NOT CONTAINING SOAP; ORGANIC SURFACE-ACTIVE PRODUCTS AND PREPARATIONS FOR WASHING THE SKIN, IN THE FORM OF LIQUID OR CREAM AND PUT UP FOR RETAIL SALE, WHETHER OR NOT CONTAINING SOAP; PAPER, WADDING, FELT AND NONWOVENS, IMPREGNATED, COATED OR COVERED WITH SOAP OR DETERGENT**	
	-	Soap and organic surface-active products and preparations, in the form of bars, cakes, moulded pieces or shapes, and paper, wad- ding, felt and nonwovens, impregnated, coated or covered with soap or detergent :	
3401 11	--	For toilet use (including medicated products):	
3401 11 10	---	Medicated toilet soaps	
3401 11 20	---	Shaving soaps other than shaving cream	
3401 11 90	---	Other	
3401 19	--	*Other:*	
	---	*Bars and blocks of weight:*	*not less than 500 gm in*
3401 19 11	----	Industrial soap	
3401 19 19	----	Other	
3401 19 20	---	Flakes, chips and powder	
3401 19 30	---	Tablets and cakes	
	---	*Household and laundry soaps not elsewhere specified or included :*	
3401 19 41	----	Household soaps	
3401 19 42	----	Laundry soaps	
3401 19 90	---	Other	
3401 20 00	-	Soap in other forms	
3401 30	-	*Organic surface-active products and preparations for washing the skin, in the form of liquid or cream and put up for retail sale whether or not containing soap :*	
	---	*For toilet use (including medicated products):*	
3401 30 11	----	Medicated toilet soaps	
3401 30 12	----	Shaving cream and shaving gel	
3401 30 19	----	Other	

3401 30 90	---	Other

From the above list we observe the followings;

1. Soap and organic surface-active products and preparations are classified under three sub headings i.e. 340111, 340119 and 340130.
2. Sub heading 340111 represents Soap and organic surface-active products and preparations, in the form of bars, cakes, moulded pieces or shapes, and paper, wadding, felt and nonwovens, impregnated, coated or covered with soap or detergent which are for toilet use. This includes medicated products.
3. Sub heading 340119 represents Soap and organic surface-active products and preparations, in the form of bars, cakes, moulded pieces or shapes which are not included in 340111. This sub heading further represents a) bars and blocks of not less than 500 grams and b) household and laundry soaps not elsewhere specified or included.
4. Sub heading 340130 represents organic surface-active products and preparations for washing the skin, in the form of liquid or cream and put up for retail sale, whether or not containing soap.
5. Tariff item no. 34012000 represents soap in other forms.
6. Laundry soap finds specific entry in tariff item no. 34011942 under the category of household and laundry soaps not elsewhere specified or included. It appears that laundry soap finds another entry in tariff item no. 34011919, description being 'other' under the category of bars and blocks of not less than 500 grams in weight.

A conjoint reading of all the six points noted above leads us to conclude that toilet soap and laundry soap are two different products in terms of the Customs Tariff Act, 1975. Toilet soap in the form of bars, cakes, moulded pieces or shapes is covered by sub heading 340111. All the goods under this sub heading qualify for serial no. 251 of Schedule I *supra*. Laundry soap, on the other hand, is covered by tariff item no. 34011919 in case it is not less than 500 grams in weight and 34011942 in case where it is less than 500 grams in weight. Since laundry soap is not includible in toilet soap both the tariff items representing laundry soap will qualify for serial no. 66 of Schedule II *supra*.

In his submission the applicant has stated that his manufactured products are of less than 500 grams in weight. So it is covered by tariff item no. 34011942 and as such it will be taxed @ 9% CGST + 9% SGST under serial no. 66 of Schedule II of Notification No. 01/2017 – Central Tax (Rate) Dated 28.06.2017, as amended by Notification No. 09/2025 – Central Tax (Rate) Dated 17.09.2025.

In view of the foregoing discussion, we rule as under:

RULING

Question: Whether 5% tax rate is applicable to laundry soap as well?
Answer: The answer is in the negative.

Question: What is the rate of tax of laundry soap by virtue of Notification No. 09/2025 – Central Tax (Rate) Dated 17.09.2025?
Answer: Laundry soap as mentioned in the application (weighing less than 500 grams) is covered by tariff item no. 34011942 and as such it will be taxed @ 9% CGST + 9% SGST under serial no. 66 of Schedule II of Notification No. 01/2017 – Central Tax (Rate) Dated 28.06.2017, as amended by Notification No. 09/2025 – Central Tax (Rate) Dated 17.09.2025.

Sd/-
(SHAFEEQ S)
Member
West Bengal Authority for Advance Ruling

Sd/-
(JAYDIP KUMAR CHAKRABARTI)
Member
West Bengal Authority for Advance Ruling

Place: Kolkata
Date: 25th May, 2026

To,
Swadeshi Soap Industries
Village: Monohar Bahal, Post: Ethora,
PS: Barabani, Bardhaman, West Bengal-713359

Copy to,

(1) The Principal Chief Commissioner, CGST & CX, 180, Shantipally, R.B.Connector, Kolkata - 700107

(2) The Commissioner of State Tax, West Bengal, 14, Beliaghata Road, Kolkata - 700015

(3) The Commissioner, CGST & CX, Bolpur Commissionerate, Nanoor Chandidas Road, P.O. Sian, Bolpur, Dist. Birbhum, West Bengal, PIN - 731204

(4) The Charge Officer, Commercial Taxes, Asansol Charge, Banijyakar Bhaban, Bijoy Pal Sarani, Near BNR More, Asansol – 713304

(5) Office Copy