

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF REVENUE  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO-1432**  
ANSWERED ON – 01.08.2023

**GST RATES LEVIED ON MILK AND MILK PRODUCTS FOR DOMESTIC CONSUMPTION**

1432. DR. KANIMOZHI NVN SOMU:

Will the Minister of **FINANCE** be pleased to state:-

- (a) the details of Goods and Services Tax (GST) rates levied on milk and milk products for domestic consumption, State-wise;
- (b) whether Government has any plans to reduce or eliminate GST on milk and milk products, considering their value in ensuring nutritional security;
- (c) if so, the details thereof and if not, the reasons therefor;
- (d) whether Government is likely to introduce a comprehensive financial package to help the dairy farmers; and
- (e) if so, the details thereof and if not, the reasons therefor?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI PANKAJ CHAUDHARY)

(a): Fresh milk and pasteurized milk are fully exempt from GST. Further, milk products like curd, lassi, butter milk and paneer are also exempt from GST if sold in form other than those pre-packaged and labelled. A concessional GST of 5% applies to curd, lassi, butter milk and paneer, when sold in pre-packaged and labelled form, and Ultra High Temperature (UHT) Milk. Further, a GST of 12% applies to condensed milk, butter, ghee and cheese. GST exemptions and rates apply uniformly across states.

(b)&(c): GST rates are prescribed on the recommendation of the GST Council, which is a constitutional body comprising of representatives from both the Centre and the States/UTs. There is no recommendation from the GST Council in this regard.

(d)&(e): There is no such proposal under consideration. The Department of Animal Husbandry and Dairying is already providing financial assistance under the following Schemes to animal husbandry and dairy farmers:

- i. Rashtriya Gokul Mission (RGM).
- ii. National Programme for Dairy Development (NPDD).
- iii. Dairy processing and Infrastructure Development Fund (DIDF).
- iv. Supporting Dairy Cooperative and Farmer Producer Organizations engaged in dairy activities (SDCFPO).
- v. Animal Husbandry Infrastructure Development Fund (AHIDF).
- vi. Livestock Health and Disease Control (LH & DC).
- vii. National Animal Disease Control Programme (NADCP).

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