

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF REVENUE

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LOK SABHA

UNSTARRED QUESTION NO.3280

TO BE ANSWERED ON FRIDAY THE 4<sup>TH</sup> AUGUST, 2017  
SHRAVANA 13, 1939 (SAKA)

EXEMPTION OF KHADI PRODUCTS FROM GST

**3280. SHRI MULLAPPALLYRAMACHANDRAN:**

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government considers exempting Khadi products from Goods and Services Tax (GST); and
- (b) if so, the details thereof and decision taken thereon?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI SANTOSH KUMAR GANGWAR)

**(a) and (b):**The GST council in its 15th meeting held on 03.06.2017 discussed the GST rate structure for the textile sector and recommended the following rate structure:-

**(a) Nil GST on Khadi Yarn,**

**(b) 5% GST on Fabrics including Khadi fabrics, and**

**(c) 5% GST on garments and other made up textile articles of sale value not exceeding Rs. 1000 per piece and 12 % GST on garments and other made up textile articles of sale value exceeding Rs. 1000 per piece (including garments and made up textile articles of Khadi).**

Accordingly, the GST rates have been notified for Khadi yarn and other textile products (including khadi products) vide various notifications dated 28/06/2017.

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