GOVERNMENT OF INDIA MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA UNSTARRED QUESTION NO. 1761 TO BE ANSWERED ON 28.11.2019

KHADI EXPORTS

1761. SHRI CHANDRA SEKHAR SAHU: DR. PRITAM GOPINATHRAO MUNDE:

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) whether the Government has issued HS code bracket to Khadi and Village Industries Commission (KVIC) to categorize its products in export;
- (b) if so, the details thereof;
- (c) whether it would help in planning its export strategies;
- (d) if so, the details thereof; and
- (e) the extent to which this decision of the Government would open a new chapter in the field of Khadi exports?

ANSWER

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI NITIN GADKARI)

- (a): Yes, Sir.
- (b): The Harmonized Commodity Description and Coding System, also known as the Harmonized System (HS) of tariff nomenclature is an internationally standardized system of names and numbers to classify traded products developed by the World Customs Organization (WCO) adopted by over 200 countries.

Director General of Foreign Trade (DGFT), Ministry of Commerce has issued HS Code to 11 Khadi products. Accordingly, a separate tariff lines for Khadi products such as Khadi Jacket, Khadi Ensemble etc. have been created. Definition of Khadi has also been included in the supplementary notes of the Customs tariff. By this, the Khadi brand is protected and the international trades of Khadi products will be tracked.

The said tariff changes have come into effect from 1st November 2019 on tentative basis.

- (c) & (d): Yes Sir, the HS Code will help in export of Khadi products as the HS code is a unique identity of product ID internationally accepted.
- (e): Separate tariff lines for Khadi products are recently approved and the quantitative impact cannot be assessed at this stage.

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