

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
LOK SABHA
UNSTARRED QUESTION NO.3235

TO BE ANSWERED ON MONDAY, DECEMBER 16, 2024

GST ON KHADI PRODUCTS

3235. SHRI M K RAGHAVAN:

Will the Minister of FINANCE वित्त मंत्री be pleased to state:

(a) whether the Government has any plans to waive-off GST on Khadi products priced under one thousand rupees, as Khadi is a part of our country's heritage;

(b) if so, the details thereof;

(c) whether the Government has any plans to reduce the GST rate for the Khadi products priced above one thousand rupees; and

(d) if so, the details thereof?

ANSWER

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

(a): GST rates are prescribed on the recommendation of GST Council, which is a constitutional body comprising of representatives of States/UTs and Centre. There is no such recommendation of the GST Council.

(b): Does not arise in view of reply to part (a) above.

(c) & (d): There is no such recommendation of the GST Council. However, based on the recommendations of GST Council in its 21st meeting held on 9th September 2017, Khadi fabrics, falling under chapters 50 to 55, sold from outlets of Khadi and Village Industries Commission (KVIC) have been fully exempted from GST. In addition, supply of Khadi yarn falling under chapter 52 is also fully exempt from GST.
