

GOVERNMENT OF INDIA
MINISTRY OF TEXTILES
RAJYA SABHA
UNSTARRED QUESTION NO-949
ANSWERED ON- 09/02/2024

EXEMPTING GST FOR HANDLOOM SECTOR

949. SMT. SULATA DEO:

Will the Minister of TEXTILES be pleased to state:

- (a) whether Government is aware of the declining effect on marketing turnover of handloom products due to Good & Services Tax (GST) imposition;
- (b) whether Government will consider exempting GST for the Handloom Sector; and
- (c) if not, the reasons therefor?

ANSWER

THE MINISTER OF STATE FOR TEXTILES
(SMT. DARSHANA JARDOSH)

(a) to (c): GST rates are prescribed on the recommendation of the GST Council, which consists of Union Finance Minister and Ministers nominated by representative State Governments. In its 45th meeting, GST Council made a recommendation for revising the GST rates on textile products, including handloom products, and related job work services to correct inverted duty structure in these goods and services. Subsequently, the GST Council, in its 46th meeting, decided to defer the increase in GST rate on textile and textiles related job work services. Consequently, there is no change in GST rate on garments and fabrics, including handloom products.

Ministry of Textiles is also implementing the following schemes to promote handlooms and welfare of handloom weavers across the country:

1. National Handloom Development Programme;
2. Raw Material Supply Scheme;

Under the above schemes, financial assistance is provided to eligible handloom agencies/weavers for raw materials, procurement of upgraded looms & accessories, solar lighting units, construction of workshed, training and skill upgradation, product & design development, technical and common infrastructure, marketing support for handloom products in domestic/overseas markets, concessional loans under weavers' MUDRA scheme and social security etc.
