

Need for GST exemption on all products of Khadi & Village Industries.-laid

DR. SHASHI THAROOR (THIRUVANANTHAPURAM): I wish to draw the attention of the Hon?ble Minister of Finance to the challenges faced by the units operating under the Kerala Khadi and Village Industries Board (KKVIB) due to the Goods and Service Tax (GST) levied on Khadi products. The KKVIB is a statutory body which implements Khadi and Village Industries Commission?s programmes to generate employment and promote Khadi & Village Industries (KVI) in Kerala, fulfilling Mahatma Gandhi?s vision. With 28 institutions employing over 15,000 artisans, mostly women, the Board operates 451 Khadi production units and 45 Village Industries units in Kerala, including 6 ready-made garment units and 2 bed-making centers. Though Khadi fabrics are GST-exempt, Khadi ready-made products remain taxed, driving up prices and reducing their competitiveness, ultimately, severely affecting their sales. Furthermore, the influx of fake and cheap Khadi products has further aggravated the situation. As a result, many sales outlets are overstocked, leading to the closure of ready-made garment units and bed-making centers in Kerala. Artisans from these units are now facing unemployment, contradicting KKVIB?s core mission of creating employment opportunities for artisans from rural India. I, therefore, urge the Hon?ble Minister to extend GST exemption to all KVI products, not just Khadi fabrics. This is crucial to fulfilling KKVIB?s mission of rural employment, reviving the sector, and safeguarding livelihood.