

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:719
ANSWERED ON:27.02.2015
VAT ON TEXTILE PRODUCTS
Puttaraju Shri C.S.

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has waived off/proposes to waive off the Value Added Tax (VAT) on textile products in the country to help the textile industry and its dependent textile workers financially;
- (b) if so, the details thereof and if not, the reasons therefor; and
- (c) the time by which VAT is likely to be waived off on textile products?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA)

(a) to (c) As per Entry 54 in the State List Seventh Schedule of the Constitution, subject matter of the Question i.e. VAT, is purely State subject, wherein the State Governments have sovereign power to make law of the concerned State. The Central Government has been only a facilitator for implementation of VAT in the States. Therefore, information regarding waiver of VAT on textile product etc. cannot be provided by the Central Government.