

Khadi gets separate unique HS code, export to get a boost

Khadi has once again come out of its customary veil, marking its presence in the exclusive HS code bracket, issued by the central government on 4th Nov'19 to categorize its products in export. In a long awaited move to make export of Khadi, exclusively categorized from the general league of textile products, the ministry of commerce and industries has allocated separate HS code for this signature fabric of India this week.

Khadi and Village Industries Commission (KVIC) Chairman Vinai Kumar Saxena said that this decision of government will open a new chapter in the field of Khadi export. Earlier, Khadi did not have its exclusive HS code. As a result, all the data regarding export of this signature fabric used to come as a normal fabric under the textile head. Now, we will be able to keep a constant eye not only on our export figures, but it will also help us in planning our export strategies.

HS Stands for Harmonized System and it is a sixdigit identification code. It was developed by the WCO (World Customs Organization) and custom officers use HS Code to clear every commodity that enters or crosses any international border.

Khadi and Village Industries products are eco-friendly and natural, and are in great demand in the International Markets. Recognizing its potential to generate exports and its eco-friendly importance, the Ministry of Commerce had accorded deemed Export Promotional Council Status (EPCS) to KVIC in 2006, to boost the export of Khadi products. However, in the absence of separate HS code, the export of Khadi products was difficult to categorize and calculate.

The KVIC Chairman added that getting exclusive HS code would have remained a mirage for KVIC, had Union MSME Minister Shri Nitin Gadkari, Union Commerce Minister Shri Piyush Goyal and Union Finance Minister Smt Nirmala Sitaraman not taken personal interest in it.

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