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Title: Demand to reduce GST on Kendu Leaves from 18 percent to 5 percent.

SHRIMATI SARMISTHA SETHI (JAJPUR): Thank you, Sir.

Sir, nature has endowed us with a variety of resources that have economical, medicinal, and other non-economical utilities. One such nature's gift is kendu or tendu leaves. Odisha is the second important kendu leaves producing State in India producing more than 20 per cent of the total kendu leaves produced in the whole country. Kendu leaves are collected in 23 out of 30 revenue Districts of the State. In other words, kendu leaves producing regions constitute about 3/4th of the State's geographical area.

Sir, at present, GST on kendu leaves has been fixed at 18 per cent. The 18 per cent GST includes 9 per cent Central GST and 9 per cent State GST. Central tax on the leaf was earlier zero. Earlier, only sales tax, that is, VAT was levied on kendu leaves. But VAT was not applied everywhere and it varied from State to State. In Odisha, the State levied 5 per cent VAT. This hike from 5 per cent to 18 per cent is a lot. Now, as the tax is high, the traders who get the tender from State corporations to collect kendu leaves will pay even less to the tribals collecting the leaves.

Kendu leaf is the financial lifeline of the tribal and poor people of Odisha. The economic and employment potential of kendu leaves can be measured from the fact that about ten lakh kendu leaf workers got employment, engagement, and livelihood support during the lean season

from March to June, 2020 when no other agricultural activities and employment were available. About 80 per cent kendu leaf workers are women. During the COVID-19 pandemic, the kendu leaves' operations have generated more than 60 lakh mandays, and about Rs. 200 crore have been spent towards their livelihood support.

HON. CHAIRPERSON: Come to the demand straightaway.

SHRIMATI SARMISTHA SETHI: Considering the difficulties of the tribal people and the livelihood problems, hon. Chief Minister of Odisha, Shri Naveen Patnaik Ji in 2018 had requested the then Union Finance Minister to reduce GST on kendu leaves from 18 per cent to 5 per cent. Again, on 10th October, 2020, hon. Chief Minister had written to hon. Prime Minister reiterating the request. But it seems that the Central Government is yet to act on the request of the hon. Chief Minister. The Central Government should place this matter in the GST Council and revise the rate as requested by hon. Chief Minister.

Therefore, Sir, through you, I request the Central Government to reduce GST on kendu leaves from 18 per cent to 5 per cent. Thank you, Sir.

माननीय सभापति: मेरा अनुरोध है कि माननीय सदस्य संक्षेप में एक मिनट में अपनी बात कहें और प्रतीक्षा भी करें, धैर्य रखें।

...(व्यवधान)

माननीय सभापति: बिल्कुल, आप आराम से बैठे रहिए। 11 बजे तक सदन चलेगा, आप चिंता न करें।

...(व्यवधान)

