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Title: Regarding levying of GST on Agro Industry - Laid

SHRI GAUTHAM SIGAMANI PON (KALLAKURICHI): Tamil Nadu is a leading producer of Tapioca Starch & Sago and most of the manufacturing units are in my Kallakurichi Parliamentary Constituency. This essential Agro Industry is facing serious situation with the introduction of GST and most of the Tapioca Starch & Sago manufacturing are struggling for their survival, while the starch is charged at 12%, Sago is on 5% slab. The Sago made out of Tapioca starch marketed through Salem Sago is served to the Northern States, by the name Sabuthana is mostly consumed as a food product only. Since the final product is a food consumable, the GST on the same has an impact on the price of the product.

Several representations by the trade to both State & Union Government have not met with any positive response. Since the Industry is on the verge of collapse, their plea for reduction of 12% on starch to 5% and exemption from GST for Sago (5% to 0%) may please be sympathetically considered. Government's promise to uplift the Agriculture Sector by 2020 will come true through such gestures.

