

Seventeenth Loksabha

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Title: Regarding reduction of GST Duty on Tapioca starch to 5 percent and exemption from GST Sago manufacturing units in Tamil Nadu.

SHRI GAUTHAM SIGAMANI PON (KALLAKURICHI): Thank you, Sir. Tamil Nadu is a leading producer of tapioca starch and sago, and most of the manufacturing units are in my Parliamentary Constituency of Kallakurichi.

This essential agro industry is facing serious situation with the introduction of GST, and most of the tapioca starch and sago manufacturing units are struggling for their survival. While the starch is charged at 12 per cent, sago is in the five per cent slab. Sago -- that is made out of tapioca starch -- is marketed through Salem Sago Serve to the Northern States under the name sabudana, which 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 traders to both the State Government and the Union Government have not met with any positive response. Since, the industry is on the verge of collapse, their plea for reduction of 12 per cent on tapioca starch to five per cent, and exemption from GST for sago, that is, to bring it from five per cent slab to zero per cent may please be sympathetically considered.

I sincerely hope that the Government's promise to uplift the agriculture sector will come true through such kind gestures. Thank you.