



The GST council meeting recently rejected Odisha's demand for tax exemption on kendu leaf.

Key Points

- Odisha has been demanding Kendu Leaves to be listed under the exempted items.
- Raising the demand for an immediate rollback of 18 percent (pc) GST on kendu leaf at the meeting, Odisha reasoned that 28 % tax is already imposed on bidi, the finished product of kendu leaf.
- The double taxation is affecting the pluckers, over 90 pc of whom are tribals, besides the binders and seasonal workers.
- The 18 pc GST is against the Forest Rights Act, 2006, and PESA Act, 1996.

Kendu Leaves (Diospyros Melanoxylon)

- Kendu Leaf is a species of flowering tree in the family Ebenaceae. It is native to India and Sri Lanka.
- Kendu leaf is called the green gold of Odisha. It is one of the most important non-wood forest products of Odisha.
- It is a nationalised product like bamboo and sal seed. It is one of the most important non-wood forest products in Odisha.

States Producing Kendu Leaves:

- The states producing bidi leaves in India comprises mainly **Madhya Pradesh, Chhattisgarh, Odisha, Andhra Pradesh, Jharkhand, Gujarat and Maharashtra.**
- **Odisha is the third-largest producer of kendu leaf**, after Madhya Pradesh and Chhattisgarh

Features

- The **Uniqueness** of Odisha's kendu leaf is in **processed form**, whereas the **rest of the states in India produces in Phal Form.**
- In **processed form**, the **Kendu leaves are graded** into different **qualities that are Grade I to Grade IV** as per the specification of color, texture, size, and body condition of the leaf.
- Leaves of tree species *Diospyros melanoxylon* are **used as wrappers of tobacco to produce bidi.**
- **Traditional medical practitioners** use Kendu Leaves to treat **malaria, diarrhoea, and dysentery.** Due to their **antimicrobial properties**, the leaves are applied to cuts and bruises as well.
- A minor forest produce, is the **financial backbone of about eight lakh leaf pluckers, binders and seasonal workers of the Odisha state.** They mostly belong to the tribal community and poorest of the poor in society.